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NATIONAL MUNICIPAL LEAGUE

Editorial Comment
April, 1937

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Fools and Forms

THERE has been a disposition among specialists in the field of municipal government of late to discount the importance of structure in obtaining efficient and effective administration. This is definitely to be deplored. While it should be clearly recognized that structure is but one of the several important factors in efficient operation, he would be a foolhardy scholar indeed who would scoff at the importance of form in relation to function in political science or any other discipline.

The clock turns not back—too long has Pope's famous couplet, "For forms of government let fools contest, that which is best administered is best," been recognized for what it is—a clever statement of a dangerous half-truth.

It is a fact, of course, that the best form of government is no good unless good men are operating it. Similarly, the worst form of government may be made to work if sufficiently able men are in charge. But woe to him who thinks this is the same as saying that the form is of no importance. For the form is of great importance in facilitating the entrance of good men into public office as well as of great importance in helping them to run the government without the constant bickering and inefficiencies resulting from vague, conflicting, and overlapping authority.

As has been repeatedly pointed out by students of the subject, a good charter will not guarantee good government but will go a long way toward helping those who want good government to put it into effect without running into the thousand and one obstacles that a poor charter would provide.

There is one other aspect of change in the form of government of a city that is seldom mentioned which has considerable significance. In a democracy where votes determine results, two elements are essential to fundamental improvement in the conduct of public affairs; sometimes one comes first and sometimes the other. These elements are: a cause and leadership. Leadership may exist without a cause but is usually forced to create a cause before it can fully manifest itself. A cause frequently exist without leadership but if it is vital almost inevitably produces leadership. Organization to promote the cause, of course, follows and is a necessary corollary.

To be most effective, a cause must be capable of being simply expressed; it must furnish a rallying cry around which may be mustered large groups of citizens. This, too, change in the form of government provides. Of the 450 cities which have adopted the city manager form of government, few indeed

are they which would have witnessed any fundamental improvement in the conduct of their affairs had they not changed their form of government. All too numerous are they, indeed, where a movement for improvement in government would never have developed sufficient virility to emerge triumphant without the issue of change in the form of government to present to the people.

Unusual records for administrative efficiency and low cost operation are being chalked up generally by city manager cities. As the functions of local government continue to expand—as it appears inevitable for them to do—it should be gratifying to citizens who live under this form of government to realize they have forged an efficient instrument capable of translating with the least loss of time and effort the public will into administrative action.

From City Hall to Campus

THE appointment of Clarence A. Dykstra, city manager of Cincinnati, as president of the University of Wisconsin has a significance far beyond the mere fact of the appointment of a very able political scientist to fill one of the highest academic positions in the country. For the first time, at least within the knowledge of the present writer, an active municipal administrator is sought for a post of this character.

Clearly, we have come a long way in municipal government when the city hall becomes a training ground for a college presidency. It was not always thus. Spittoon-decorated offices, foggy with cigar smoke, are not too remote in municipal experience to warrant undue huzzahs over their conversion to respectability. Still vivid in memory if less so in fact is the picture of the old line political office-holder. You will recall Murray Seasongood's description of the former mayor who furnished the following reasons for his political success: "I used to be in business, and I always believe in seeing the customer. My door is open, and if I ain't there, all you got to do is to holler, 'Where is that Dutch slob?' "

But the very fact that the selection of the chief executive of Cincinnati as president of the University of Wisconsin could happen is important. The city manager movement has, in brief, brought us far enough along the road of professionalization of the public service so that municipal government, so long the black sheep of the family, is beginning to develop leadership of a high order.

It is well that the universities should be looking toward a closer relationship with the public service. It is fortunate also that this relationship may be developed through the personalities of those who have had close contact with the realities of municipal government. The selection of Harold W. Dodds as president of Princeton University was the first auspicious stride in this direction. The appointment of Dykstra, whose record at Cincinnati has attracted nation-wide attention, is a constructive second step on the same course.

Development of Satisfactory Units of School Administration

A discussion of the factors involved in the intelligent creation of administrative districts

ALONZO G. GRACE *University of Rochester, New York*

THIS discussion is limited to a brief consideration of some of the major factors involved in the development of satisfactory units of school administration. It should be noted, however, that certain other factors are involved in the development of supervisory and attendance units. The establishment of criteria for the determination of the size of these units, obviously, is contingent upon the recognition of these factors.

An area confined to certain definite and recognized boundaries within which certain specific services are rendered or functions performed for the general welfare of the state and within which taxes may be levied and collected and debt incurred is an administrative area. The administrative unit is that agency designated by and responsible to the state to which is allocated the active management of the services and functions rendered therein. The school district, therefore, may be the administrative unit for public education.

Except in cities and larger villages the school or attendance unit frequently is the administrative unit. The attendance unit, however, may not be a satisfactory unit for administration or for supervision. There are certain fundamental factors, therefore, that enter into the determination of the size of the administrative unit. In order to establish acceptable criteria for the determination of the size and extent of the larger unit, the following factors must be considered: (1) educational adequacy, (2) fiscal competence, (3) administrative efficiency, (4) local initiative and interest, (5) demographic inclusiveness, (6) facility of transportation, and (7) flexibility. These factors will be discussed briefly in order.

EDUCATIONAL ADEQUACY

The first factor involved in the creation of an administrative area and one that is of consequence in the determination of the size of the unit is the matter of educational adequacy. Among the questions that must be answered the following are among the more important: Is it possible to equalize educational opportunity under existing conditions and in the present organization? Are there services essential to an adequate education that cannot be provided because of the size of the school district? Would a larger unit result in a more productive leadership? Would the larger unit make possible greater emphasis on the quality of the product or shall quantity be the major objective of educational endeavor? What shall be the extent of the educational program? Shall the area be organized on the basis of a minimum program or shall a maximum program be considered in the ultimate plan? These and other pertinent questions must be considered in the de-

termination of the size of an administrative unit.

If all of the children of a state are not obtaining the services and programs enjoyed by the majority of the children of the state, it is the function of the state to eliminate the obstacles that make this equalization impossible.

FISCAL COMPETENCE

One of the major factors involved in the establishment of the administrative unit for the conduct of public education is that concerned with the financing of the services and functions included within the educational program. The limitation of space prohibits an extensive presentation of the elements involved in this factor. Among the elements that must be considered, however, are: (1) variations in the actual value of property in existent districts, (2) land classification, (3) tax delinquency, and (4) extent of local debt.

One school district, for example, may be fortunate enough to have within its boundaries two or more railroads, light and power companies, or other large or heavily assessed properties. The adjacent district may be dependent solely upon the assessed valuation of a few farm parcels for the support of the school therein. No matter how far a state may be willing to go in the matter of the state equalization of support of education, the one district may remain at a distinct disadvantage because of local fiscal inequalities.

The whole matter of land classification, also, presents a major problem in planning a program. Studies thus far completed by various agencies indicate the presence of many areas within states that are unsuited for agricultural purposes. The people in these marginal areas are unable to pay for various governmental services; hence, the need for state assistance continues to increase. Within most states, also, there are industries that are disappearing and which may be nonexistent within a generation or less.

It is not the purpose of this discussion, however, to do more than to point out the seriousness of forming school districts on an assessed valuation that, in a sense, may be fictitious. In other words, within a short period of time valuations may decrease because of the disappearance of the industry responsible for the present high valuation or because of the withdrawal of marginal land from production.

Though tax delinquency is no longer a serious problem this aspect of the financial plan cannot be ignored. When there is income, taxes usually are paid. But inability to pay taxes is a serious matter in periods of adversity.

Bird's[1] study of the five-year trend in cities with a population of over fifty thousand, indicates an approximate median delinquency of 20 per cent during the year 1933. Data assembled by state tax commissions indicate varying amounts and rates of delinquency. The major disturbing fact, however, is not the gross delinquency, but the trend in the direction of nonpayment of taxes. While it is true that such factors as measurement of delinquency, variation of taxpaying habits, legal pressure for payment, general business conditions, or others may influence this trend one way or another, the significance of tax delinquency as a factor to be considered in budget-making can no longer be denied.

The whole debt problem, too, is of consequence in any consideration of the financial status of local government. The rapidity with which the public debt —federal, state, or local—has increased obviously is a matter of importance in budget-making. The establishment of debt limits within states to protect the

[1]Bird, Frederick L. *The Five-Year Trend in Tax Delinquency, 1930-1934.* New York, Dun and Bradstreet, 1935.

fiscal affairs of local governments is desirable; what may appear to be a definite limitation in theory, however, in actual practice may not be a rigid limitation, because of the debt incurring power of overlapping local units and exemptions. For example, a property in a state having a 10 per cent limitation on assessed valuation for borrowing purposes may be located within a county, city, and school district. Since it is possible for each one of these units to incur debt up to the legal 10 per cent limit, the debt limit on this property is, in effect, not 10 per cent of the assessed valuation, but 30 per cent.

The implications of this problem are obvious. Clarke[2] says that state and local indebtedness:

> Form a part of public and private debt which, while not large relative to the total, is one if not the most difficult to deal with by reason of the excessive number and diversity of districts having incurred debts. Because of their rigid character, state and local bonds usually remain a fixed charge upon budgets without possibility of alteration during the course of their terms.
>
> As a charge fixed until the discharge of the obligations, debt service renders state and local economy difficult by reducing the margin of discretion in lowering public costs. The debt charges decrease the ability, especially of local governments, to pay for social services, particularly for unemployed relief. Property taxes, already high for a prosperous era, are rendered burdensome in some communities and exorbitant in other areas. The natural tendency to tax delinquency during a depression is intensified by high levies to redeem debts incurred during the flush "nineteen twenties." The burden of fixed charges is a stimulus to defaults by municipalities which virtually renders them bankrupt corporations.
>
> No blanket characterizations of state and local borrowing, however, are applicable to all units and no causes of fiscal distress uniformly prevail throughout all areas. Consequently, an understanding of the debt structures and their burdens under the impact of the depression must identify the nature and extent of the debt and differentiate between the situations which call for remedy.

With increasing debt and tax delinquency facing local government, the quest for new revenues has resulted in a general broadening of the tax base. Federal, state, and local governments, also, have increased tax rates within their respective taxing jurisdictions more or less consistently since 1920. In spite of a liberal increase in assessed valuations in the case of real property or the rates for various income levels in states having income tax laws, the resulting revenue has proved to be insufficient to support the governmental structure. Thus the tax base has been broadened. Sales, chain store, corporation, inheritance, income, and a host of other taxes have been enacted by legislatures in states not already having such tax legislation; and, in some instances, new local taxes have been imposed. New York City, for example, has adopted a sales tax locally. The present procedure, however, is merely to expand the tax base without regard to the extent of its operation or the taxes already in effect.

The report of the subcommittee of the committee on ways and means of the house of representatives[3] explains briefly the underlying power of various units of government to levy taxes. With respect to local governments, it may be said that this power is delegated by the state and is not inherent in any manner. It is, however, a recognition of the principle of home rule. The committee agreed that the general property tax is

[2]Clarke, Evans. *The Internal Debts of the United States.* New York, Macmillan Company, 1933. pp. 255-256.

[3]*Double Taxation,* Washington, Government Printing Office, 1933.

levied neither "in accordance with the principle of ability to pay nor the principle of benefit received."

ADMINISTRATIVE EFFICIENCY

The effective and efficient management of the affairs of the small school district is impossible. The number of districts, the diffusion of responsibility, lack of educational leadership in small districts contribute to the general situation. That the inadequacy of the educational program in most small districts may be attributed to administrative defects in the district system is a matter of common knowledge.

The larger unit makes possible the selection of competent boards of education, as the policy-determining bodies of these districts. It would provide for the delegation of administrative responsibility to a superintendent of schools. In brief, the rural areas of a state may have an educational organization similar to that which now prevails in cities and villages without the loss of local autonomy. The simple creation of the larger unit, however, will not guarantee better administrative practice. There must be a reallocation of certain functions or services to other governmental units. There must be effective leadership provided within the unit for no administrative organization is stronger than the personnel required to manage it.

LOCAL INITIATIVE AND INTEREST

How may the political structure be modified so as to retain local autonomy and at the same time maintain an effective state? Some political theorists hold that the state is an essential institution of society and, in their judgment, should be divested of sovereignty. Others contend that the state exists to enact and to enforce law; therefore, it is superior to all social groups within its boundaries. The dispersed and conflicting loyalties that exist within the social structure make it clearly evident, however, that the sovereignty of the people is expressed as much through labor organizations, church groups, taxpayers' associations, financial organizations, and others as it is through constitutions.

The importance of free assembly and of local units designed to bring people together to discuss common problems is of the utmost consequence in the maintenance of democracy. That the forfeiture of local initiative, interest, and effort would inevitably result in the decadence of the democratic ideal is a matter of common agreement. It is essential, therefore, that the area of administration be limited in size in order that members therein possess a sense of belonging and in order that local initiative, interest, and effort may be expressed.

DEMOGRAPHIC INCLUSIVENESS

Among the factors involved in the planning of administrative areas none is more important than the matter of population, births, marriages, mortality, health, or other related conditions. These are known as demographic data. Because most studies of school district reorganization have ignored to a large degree this body of statistical information the factor of inclusiveness is used in this discussion to indicate the need for complete consideration of these data.

The importance of including data such as these in planning school district organization is evident. It is now possible to predict with reasonable accuracy the school population that may be expected within a period of years. This is of consequence in planning school buildings, in developing the educational program, in the preparation of teachers, and in fact in determining the whole school program.

FACILITY OF TRANSPORTATION

Transportation facilities are essential in the larger unit of administration and

(Continued on Page 209)

Local Self-Government and the State

The preservation of the democratic foundations of our government depends upon the readjustment of local government units to the purposes of self-government

CARL E. McCOMBS *Institute of Public Administration*

THE most fertile field for research in government and its administration is today, as it always has been, local government. And at no time in the past has there been, in view of this observer at least, greater need for further and more intensive study of it. Unquestionably the movement for strong centralization of administrative authority and responsibility in the state and national governments has tended to devitalize local self-government no matter what else it may have accomplished. That this movement has been largely responsible also for devitalizing the spirit for democracy cannot perhaps be proved, yet close and long continued observation of local governments in those states where the trend towards centralization has been most marked reveals marked symptoms of its decay. There are, of course, many other factors which have contributed to the devitalization of local self-government and the spirit for democracy which it is presumed to manifest.

Along with the increasing complexity of government and the necessary (and unnecessary) multiplication of laws, ordinances, rules, and regulations concerning it, there has come a high degree of specialization in its functional techniques. Although the citizen of today is better qualified to understand and interpret governmental methods and objectives, he is less able to devote to that task the time and effort required because of the concomitant increase in the number and variety of social and economic pressures which are exerted upon him in his business and home life. When occasionally he attempts to exercise his citizenship, he finds that legal, political, and other barriers have been set up which effectively block his approach to responsible authority. The officials of his local government may be mere agents of a higher authority far outside the individual citizen's sphere of influence, or so chosen, empowered, and fixed in office that short of criminal or civil action at law they are beyond the individual citizen's reach. Nor can the individual citizen induce coöperative citizen action in public affairs except by an almost prohibitive expenditure of time and money. The division of the citizen body along social, economic, political, religious, racial, and other lines tends to prevent truly coöperative action in the interest of all. Citizens may be temporarily united in the face of some crisis if sufficient publicity is given to it, but when the crisis is over the normal diverse pressures force the erstwhile coöperators back into their former groupings which are antagonistic to community solidarity. Nothing could be more destructive of the spirit for democracy than the helplessness which the citizen feels in the face of these handicaps to the proper exercise of his citizenship, and he becomes

apathetic to conditions which steadily undermine democratic foundations.

There are doubtless small, comparatively isolated local self-governing units scattered throughout the United States in which as yet this deterioration of democratic foundations has not gone far enough to produce significant symptoms. A few local self-governing units may be observed in dominantly rural areas whose populations are homogeneous, self-reliant, require little governmental service, and happily are only mildly conscious of religious, racial, political schisms. Some towns of this type may be observed in rural New England. But modern transportation and communication have served to abolish the isolation of communities and thought, so that today there is probably not a competent local self-governing unit in the United States which has wholly escaped the influences which we have described as subversive of the self-governing ideal of our democracy.

INCOMPETENCY MOVES CONTROL UPWARD

The writer concedes that the forces which we deplore as opposed to strong local self-government are in large measure responsible for raising the standards of government as a whole. The inability of local government to finance and control effectively many of the highly specialized governmental techniques and facilities required in modern community life has compelled a broadening of the administrative base all along the line—in fiscal control, health and sanitation, public welfare, public works, public safety, and other governmental functions. When local governments have proved incompetent, the tendency has been to move administrative controls upward—to the county, to the state, to the federal government. Thus the vicious cycle of deterioration of the self-governing democratic foundation of our whole governmental structure is completed. The incompetency of local governments inevitably forces the transfer of local functions to a higher administrative level, if no fundamental changes have been made in the adaptation of the local government structure to modern environment and ways of life. This in turn further reduces the capacity of the local government to meet local problems on the local level and discourages citizen interest and coöperative action. The only effective remedy yet offered for increasing the efficiency of local government services, namely, transfer of its responsibilities upward, has resulted in depriving self-government of the very thing necessary to the nourishment and growth of the spirit for democracy.

The writer concedes, too, that if public service with the utmost of efficiency and economy is assumed to be the chief goal of government action, without change in the basic system of local government units, stronger and stronger centralization of controls at the higher levels is our only recourse. But is this assumption a sound one? Are there not potential values in the preservation and development of the self-governing plan of community life which if made actual would more than offset the gains of supposed higher efficiency and money economy? Is it not true that most of the social and economic ills, for which state and national governments now attempt to provide preventive and remedial measures by vast expenditure and with doubtful efficiency, have local origins and could probably be dealt with more promptly, more efficiently, and perhaps more economically in the long run at the community level? Is it not probable that if community local government were so established and constituted as to be competent to deal with such matters at first hand the very effort required to meet its own responsibilities would increase its capacity for

self-government? "Function makes structure" is as true of the body politic as of the human body. No local government unit can develop strength and vigor sufficient for useful life today if the necessity for exercise of its proper functions is removed by transfer of its responsibilities to a higher, more remote governmental level. It is, I believe, of greater value that the spirit for democratic self-government be preserved than that all things done by government shall be done with the utmost measurable efficiency and money economy.

WHAT IS A COMMUNITY?

It will be noted that the word "community" has been used above as though it were synonymous with "local government." It is not, of course. If it were, and if "community" in the political sense meant exactly what it means in the social sense, the problem of readjustment of the governmental mechanism so as to foster rather than discourage local self-government would be a much simpler one. To illustrate the misconception which clouds the discussion of problems of public administration because of an unwarranted use of the word "community," I cite a discussion which recently took place at a meeting of the American Public Welfare Association in Washington. The purpose of the conference was mainly to give public welfare officials and others interested opportunity to talk over ways and means of adapting the social security act to the exigencies of administration in the states and local units of government. Since the social security act covers broadly institutional and non-institutional services in the related fields of public health and social welfare, the administrative integration of these services in state and local jurisdictions is a matter of prime interest. The several round table discussions at the Washington conference were devoted almost exclusively to this problem, and speaker after speaker arose to declare that in no way except by the integration of these varied services "at the community level" could the benefits offered under the social security act be fully realized. But since there is in no state a unit of local government which is defined in law as a "community" but only as counties, cities, villages, towns, townships, precincts, magisterial districts, etc., there is in fact no possibility of integrating administratively or otherwise the public services provided for in the social security act "at the community level."

These services might conceivably be integrated at the county, city, village, town, or other local jurisdictional level but the impossibility of describing for all states any one of these jurisdictional types as invariably the proper level for the integration of social welfare services is obvious. The variations in area, population, character, and composition of the people, social and economic resources, etc., which may be noted within any given category of local government units, are astonishing. The idea behind the words "integration at the community level" is, however, a perfectly sound one. Those who used these words meant simply that, assuming a group of people which actually represents a community of interest and has otherwise such resources as to provide voluntarily and through governmental organization for the integration of health and welfare services, it would be possible to realize most completely the benefits which the social security act aims to provide. It may well be that there are certain counties, cities, villages, towns and other units of local government which exemplify the community ideal as described, but it is certainly not true that a "community" in the governmental sense has actual being—except perhaps in the minds of wishful thinkers like myself.

As one examines the present scheme

of government and administration from the national government down to the smallest local unit, it is evident that it is not well adapted either to efficient and economical public service or to the enhancement of the other values which are of the spirit of democracy and dependent upon community of interest. The question, then, resolves itself to this: Shall we continue with the present archaic system of local government and continue to sap its vitality by greater and greater centralization of governmental responsibility in the state and national government; or shall we try to find some reasonable compromise between high central controls and self-government at the grass roots? If the vote is yes for the first of these alternatives, it will be a waste of time to concern ourselves greatly with local government reform. It will in a short time have little to concern us. But if we can agree that local self-government and self-support represent a worthy ideal of democracy, something can and should be done to rehabilitate local institutions.

There is among students of government considerable difference of opinion, both concerning the nature of functions which can be best performed at the local level, and the degree to which self-government, that is to say "home rule," should be permitted by the state with respect to such functions. All will probably agree that the unit of local government should represent more than a mere geographical division of state area. They will agree, no doubt, that a unit of local government regardless of the size and location should represent a group of people which has a community of interest, that is, some social and economic common denominator. They are quite likely to agree that for the community so described there should be one responsible government and not more than one. Finally, if it is also agreed that the spirit for democracy is worth preserving and that efficient local self-government is both its nourishment and identifying product, the path to the objective is by no means a difficult one.

POLITICS AND LOCAL GOVERNMENT

There are certain stubborn facts about local government which cannot be avoided in any discussion of its reform. The first of these is that political exigencies must be recognized. No system of local government can be devised which will eliminate all of the handicaps and waste which our political system necessarily imposes upon efficient self-government. But it is possible to devise a system of local self-government which will reduce waste and the number of these handicaps. The second fact is that the need and capacity for self-government of any population group cannot be measured by number of people, area of distribution, or legal designation as town, village, city, county, special district, or what not. In no state are the needs and resources of the people so uniformly spread that a "blanket" system of local self-governing units can be clapped down upon all people and all regions of the state with any hope of uniformly satisfactory operation. But a system of local self-government can be devised which will recognize the variability of local needs and resources and permit the people themselves to select within reasonable limitations the kind and amount of self-government they want and can afford to maintain. Finally, it is apparent that in the interest of all the people of a given state no population unit can be permitted an amount or kind of self-government which will handicap or do injustice to other self-governing units. But a system of local government can be devised which will so distribute governmental powers, burdens, and responsibilities between the state and local

units as to equalize the self-government opportunity for all.

We may as well dismiss at once any notion that narrow and venal partisan politics in local government can be abolished by any reform of the system of local government itself. A system of local self-government which will not only permit but stimulate citizen interest in its processes and encourage rather than discourage community coöperation will, however, accomplish all that can be accomplished toward this end, human nature being what it is. The problem as far as partisan politics is concerned is simply to make politics amenable and controllable through replacement of citizen interest in political squabbles with citizen interest in efficient government operation regardless of who is elected. That means the widest possible range and freest expression of self-government for local communities through a system of local government which recognizes the varying social needs and economic resources of the people, and is capable of being adapted to them.

LAND USE THE FOUNDATION

The social needs and economic resources of any group of population depend in the last analysis upon land use. The social solidarity of the community, its service requirements, its income, and its capacity for self-government have their origins in land use, and our local government structure should therefore fit this foundation. Unfortunately we have merely scratched the surface of this problem in its relation to government. A few intelligently directed state planning boards and a few independent researchers have here and there made an approach to it and have gathered such meager facts as have been available in official records of land use and abuse and by limited field studies in several states, notably New York State. There is a growing appreciation among students of government of the necessity of more facts and more extended observations on this subject, but enough information has been gathered to permit several broad conclusions to be tentatively drawn. These are:

1. Regardless of the existing form of local government or the variety of types which may be recognized, classification of the area and population of the state on the basis of land use should be the starting point of any plan of local government reorganization;

2. The system of local government should be designed to provide within each of the major classifications of area and population according to land use certain types of local self-government, depending upon the amount and kind of self-governing services best adapted to such use;

3. For each of these major classifications as large opportunity as possible should be given the people to select from among several unit types of local government that one which in their judgment best suits their purpose and provides freest opportunity for the readjustment from time to time of the jurisdictional limitations of local units with respect to area and population. This would make possible the ultimate creation of local government units which would represent local communities of interest.

To illustrate what is meant by the classification of state area and population, the reader is referred to the tentative classification of New York State area and population suggested in the report of the New York State Commission for the Revision of the Tax Laws, 1933. On the basis of studies made by the Commission's staff under the direction of Luther Gulick, director of the Institute of Public Administration, the commission tentatively proposed the es-

tablishment of five zones of local government. These zones represented, as accurately as the commission's staff could determine from the meager data available, the differences in local government needs and resources as indicated by land use and distribution of population. The zones ranged from the great, almost uninhabited, forest areas of the state to the great metropolitan districts as defined by the Bureau of the Census.

It was proposed that local government in the sparsely settled forest area be eliminated, as it was in the forest regions of Maine, and that such local services as might be required in this zone be provided by the state acting through representatives in the few local centers. In the four remaining zones it was proposed that local self-governments suited to the particular needs and resources of their respective resident groups be set up by virtue of laws providing optional forms of local government. These proposals were intended to be merely suggestive of a rational approach to the problem of local government reorganization which in New York State is an issue in almost every legislative session. To date, however, no action has been taken either by the commission which originally sponsored them or by the legislature to forward local government reorganization along the lines suggested. The plan did, however, arouse a great deal of interest among those best informed on local government problems in New York State and it is evident that future reforms of local government, if any, must take into account these wide variations in land use which are reflected in the statistics of number, distribution, character, and composition of population, age groupings, occupation and employment, transportation and communication, etc.

One of the major objectives of the classification or zoning plan was to make possible the development of units of local government which would correspond more closely to the ideal of the community unit which we have discussed in preceding paragraphs. It was felt that this objective might be approximated at least by providing optional forms of local government which might be adopted through local referendums. The extent of local self-government permitted the various units under such a plan would, of course, depend considerably upon local need and capacity for it as evidenced by their zone positions.

CENTRAL VERSUS DECENTRALIZED CONTROL

In the eyes of some close students the centralization in state authorities of administrative and supervisory functions which formerly were exercised locally is already evidencing its incapacity to measure up to its democratic responsibilities. The necessity for state centralized controls of health, welfare, finance, public works, education, police, etc., is not gainsaid, but there is among those most familiar with the problems of local government a recognition of the desirability of a more intimate contact between the service controlling authorities and the service consumers in their local situation. They are beginning to offer compromises between centralized control and decentralized local service which provide for the establishment of local administrative districts, so that ready and intimate contact and coöperation between state administrative district authorities and local self-government bodies may be maintained. The adoption of this scheme has been recommended by the President's Committee on Administrative Management in its recent report which says:

> At the present time there are 109 different plans of geographical subdivisions of the United States in use by the various governmental agencies for their local of-

fices. From the standpoint of the citizen this does not make good service or good sense. Government should, of course, be carried to the people through the decentralization of the Washington departments, partly to make it fit their needs, and partly to keep it from becoming distant and bureaucratic, but this decentralization need not be chaotic and conflicting, provided it is properly integrated at the center and subjected to over-all management.

The method of decentralization of necessity will vary from department to department and from activity to activity within the department. A general principle that may be laid down is that the decentralization should be geographical and that more and more of the administrative work of the executive branch be carried on in the field in regional units set up to cover all parts of the United States. In this way the government will be brought nearer to the people themselves and by this regional organization the federal government may the better cooperate with state and local governments in the conduct of its affairs.

This geographical decentralization also will diminish the waste of time and money, to say nothing of the patience of the people, entailed by excessive centralization of administrative activities in Washington. At the same time it offers the opportunity of lessening the insensitivity of the bureaucracy by bringing the persons who actually administer in detail the work of the government into touch with the people whom they serve in their own communities.

The safeguarding of the citizen from narrow-minded and dictatorial bureaucratic interference and control is one of the primary obligations of democratic government. It can be accomplished only by so centralizing the determination of administrative policy that there is a clear line of conduct laid down for all officialdom to follow and then by so decentralizing the actual administrative operation that the government servant remains himself one of the people in touch with the people and does not degenerate into an isolated and arrogant bureaucrat.

This principle, so clearly set forth by the President's committee, applies with equal force to state administration. By its application within the state, coupled with and conforming with a system of local government, based on a classification of state area and population in their relation to land use, the desired compromise between the controlling and supervising objectives of the state and the self-governing objectives of local units can be made effective. It will be possible then under such a coördinated state-local administrative system to determine accurately the desirable limitations of local self-governments in their several zones and adjust state constitutions and laws accordingly.

DISTRICT OFFICES

To produce best results in local government under such a combined state-local system it is highly desirable that the state administrative districts which may be defined for the various service functions shall as far as possible coincide. If, for example, the state administrative districts for health, welfare, police, education, and other related functions directly concerned with the citizen's daily life were coincident, it would then be possible to coördinate within one district office, for the convenience of the citizens and local government officials, all of the state services and facilities necessary for citizen advice, information, and aid. The formation of state districts would, however, need to be carefully studied in order that they might be adapted properly to problems of area, topography, distribution of population, and the degree of local self-government (home rule) permitted. The establishment of the system of local government according to the zone plan previously suggested would, however, determine in

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What Is Everybody's Business

Kansas practices economies made necessary by the depression but maintains essential services

BENJAMIN FRANKLIN — *Former Business Manager of Kansas*

LIKE many another shibboleth, the old adage that "What is everybody's business is nobody's business" has been accepted as whole truth for generations, when, as a matter of fact, it is only half truth. Public business—the business of our states, cities, and counties, as well as that of the nation—is everybody's business; it is also definitely the responsibility of certain designated public officials.

Until recent years the great American public which footed the bills paid little attention to the way its money was spent. It was "come easy, go easy." Public officials generally meant well—and did the best they could—without, however, quite getting themselves steamed up over their employers' interest to the point of handling public funds as carefully as they would handle their own.

Kansas citizens generally in 1933, just as citizens of every state then and now, had no idea of the immensity of the state's business activity. They did have a very definite opinion that the tax collector was getting more than they could afford for state and local purposes. Few realized that there were then ten thousand inmates in the sixteen penal, charitable, and correctional institutions, ten thousand students in the five state schools, and that it required approximately four thousand teachers, administrators, guards, attendants, and other employees to administer the various schools and institutions. Altogether, the state was charged with providing for so many people in varying extents that if they had been gathered in one place, they would have made the fourth city of the state in size.

A kaleidoscopic glimpse of these institutions reveals births, operations, medical treatments, work rooms, spinning factory wheels, long tractor furrows in fertile fields, coal being mined far underground, schoolrooms filled with under-privileged boys and girls, steel doors clanking behind newly committed prisoners, solitary cells, strong rooms for hopeless maniacs, tragic idiots gibbering year after year to themselves, baseball games, picture shows, crowded dining rooms, crowded wards in institutions unable to keep pace with the ever increasing number of those unable to cope alone with life's battles.

Another glimpse of the state's multiple activities would show thousands of bright young men and women hurrying over university and college campuses, tumbling in and out of classrooms, studying myriad intricate problems in highly specialized laboratories, with equipment gathered from the four corners of the earth, attempting to probe farther and farther into the world of microscopic minutae and reaching farther and farther into the outer im-

mensity of starry space; again whirring dynamos, this time used in evolving new human knowledge for man's use, patient experiment after experiment with new grains and grasses and crops, medical schools studying new ways to relieve such misery and suffering as the charitable institutions care for; veterinary schools seeking to eradicate animal diseases and discover more profitable methods of animal husbandry; roaring crowds at football games, college journals with their brimming interests, debates, dormitory life in all its phases, college politics and college society, in all their ramifications.

SOME PROJECTS OF THE STATE

The state farms twenty-two thousand acres of land, milks over one thousand cows daily in nineteen herds, raises four thousand hogs annually, operates seventeen laundries, several tailor shops, mines a trainload of coal each week at the state prison, converts a trainload of steel annually into auto tags, and manufactures four trainloads of binder twine annually, which, by the way, is the only manufactured article sold outside state institutions.

Governor Landon was elected on an economy platform. The legislature took him literally and reduced state appropriations generally by approximately 25 per cent for the fiscal year which began July 1, 1933.

Within six weeks after state appropriations had been made, Congress passed the National Industrial Recovery Act, and soon after that, the processing taxes were levied on many foods and fees by the AAA. The result, it will be recalled, was to send prices upward. State institutions were caught between the upper millstone of reduced appropriations and the nether millstone of rising prices.

In a series of conferences between the governor and various boards and commissions, it was determined to cut immediate expenses to the limit—and embark on a three-fold long range program to be carried out over a period of years as follows: (1) Cut costs drastically, eliminate all frills, reduce salaries, combine jobs, and above all, work for long range economy; (2) Begin a systematic effort to make boards and institutions more nearly self-sustaining; (3) Undertake to provide better service for the citizens of the state generally, offer better opportunities wherever possible to students in state schools and make life as livable as possible for the derelicts of the state's "city of ten thousand tragedies."

State salaries always have been low in Kansas and many of them had been reduced by the preceding administration, but with unemployment general, farmers in distress, and business men losing money, any job that provided bread and butter was welcome and the cuts were accepted almost universally without a whimper.

Leading business men were invited to assist in the purchasing program and the prompt coverage of the state's needs postponed the effect of higher prices for flour, pork, cotton goods, sugar, and other items which shot up in price.

The long range program grows more interesting year after year. State officials have had no occasion to modify the three-point program that was laid down. Each month the employees on the state payroll have shown increasing loyalty to its objectives and increasing efficiency in finding ways and means of reaching them. Meanwhile, the public, regardless of partisan differences, has indicated its emphatic approval, not only in Kansas, but in other states. Undoubtedly this applause has also had much to do with the continued enthusiasm of officials and employees for the program undertaken.

In reducing costs, a never-ending battle against waste was instituted. The

idea of long range economy, not short range economy, has been kept constantly in the foreground. One of the first moves was to establish a state business laboratory for the purpose of testing goods offered by bidders on state supplies. Previous to 1933, all purchases except in the highway department had been made by "sight, smell, and feeling"—or dependence on the rectitude of the lowest bidder. The laboratory—fitted up at the Topeka State Hospital in an unused basement room, where the morgue had formerly been—soon changed all that. Better specifications—many not previously changed in fifteen years—were worked out, and we began to discover what was in those paints and lubricants and other commodities offered. Purchases were made "quality considered" and to secure long range economy.

ECONOMIES INSTITUTED

In a few months, purchase of many expendable items was radically reduced. Walls could be washed instead of being repainted. Clothing did not shrink off the unfortunate victims receiving it; food was eaten instead of being thrown away; machinery on farms, in the shops and mines was repaired; tool rooms were built to prevent "losses"; officers and inmates were given decent equipment; and output steadily increased.

Federal marketing specialists were called in to assist in the grocery and meat lettings, instead of the business manager, who knew nothing of canned peas and corn and apples, with his assistant and several stewards sitting solemnly around a table looking at, smelling, and tasting goods offered, as the former practice had been. Federal grades were specified under the new plan and samples were delivered at the laboratory where for three days, two grocery men, the laboratory director, and several clerks held an orgy of cutting, weighing, sampling, and grading.

A major attack was made on the fuel problem, one of the largest items of expense even in Kansas with its great state coal mine and its abundance of gas, oil, and coal. The prison mine is not permitted to sell coal on the open market, but only to state institutions. It is, however, unable to supply all of these, due partly to the solicitude of officers in the state prison mine for their subordinates, partly to the solicitude of the subordinates for themselves, and partly to a shortage of labor in which I believe the Kansas prison is more or less unique.

Reduction in gas rates, secured only after months of resistance by the gas companies, changes from coal to gas and oil, installation of mechanical stokers, and insulation of steam pipes cut the fuel bill by tens of thousands of dollars annually.

All institutions were directed to save every usable scrap of clothing and food. By mending and saving and reissuing old shoes and articles of clothing instead of providing new ones, over $10,000 was saved in the penitentiary alone during one six-months period.

Soap-making, tool repair, salvage of old iron and brass, home butchering, lard rendering, and transfer of excess equipment or supplies from one institution to another were all undertaken. Two or three institutions which had been selling garbage very cheaply or giving it away started to raise hogs at almost no cost.

The state has always been proud of its institutional dairy herd—milk and meat are the two largest items on the menu. In only one or two institutions was there milk enough to make butter. It seemed to me, after years of boyhood experience in milking, that we should produce our own butter, so I directed that no good heifer calves should be sold from any state herd. The insti-

tutions are now beginning to reap the reward of that step and are starting to make their own butter.

A single change in procedure in the laundries suggested by the laboratory director effected a saving annually of more than the annual cost of maintaining the laboratory.

Under the instruction of the laboratory director, the prison started making insecticides for use in the state institutions at a cost of only forty cents per gallon; and for the purpose intended, it seems to be just as efficient as the three dollar article formerly purchased. Many other items such as sweeping compounds, floor polishes, disinfectants, and the like are no longer purchased but prepared by the custodians in each institution.

PAROLE SYSTEM INTRODUCED

As another cost-reducing move a modern parole system was set up. The state had never had a systematic and comprehensive system of looking after its paroled convicts and juvenile offenders. As a result, there were an excessive number of men and boys and girls who were unable to adjust themselves after release and soon got into new difficulties, then came back for the state to support. Accordingly, the state was divided into districts and well paid, carefully selected parole officers were placed in charge of each district. They were directed to spend full time—often it was sixteen hours a day at first—getting jobs for their wards, helping them with family difficulties, and trying to make decent citizens of them.

These parole officers were instructed to waste little time on those who could not or would not keep out of difficulty. The rule of "the greatest good to the greatest number" was strictly adhered to. Time and again, parole officers were told that the state would rather return a convict before a serious crime than after it. As a result, a remarkably fine record has been achieved. Returns are far more infrequent than before the system was established, local police officers have more peace of mind, and in addition to the great gain in human values, it costs only about 5 per cent as much to supervise parolees outside an institution as it does to maintain them inside.

An effort was made to get the hospitals for the insane to use social workers and out-clinics and their agencies and so return several hundred senile and other non-dangerous cases to their homes. Success here for three years was negligible—chiefly due to the attitude of the superintendents of the hospitals. It was not until a new superintendent and much younger man was secured for the Osawatomie State Hospital that a program of out-clinics, preventive treatment, and social workers was undertaken. It is still too new for us to form an estimate of its success in reducing institutional population and costs. Up to now, however, there is no reason to believe it will not be a substantial success from every angle.

In the matter of increasing revenues there have also been marked improvements.

In Kansas the highway department is financed entirely from gasoline, vehicle licenses, and mileage taxes. Governor Landon's administration inherited a deficit of over a million and a half dollars in the highway department. Then the governor recommended—and got—a 50 per cent reduction in vehicle license rates which reduced revenues by about three million dollars annually—and gives Kansas citizens, so I am told, the lowest priced car licenses in America. To eliminate the deficit and offset the reduction in receipts from license fees he asked the legislature to plug the holes in the collection of gasoline and mileage taxes. The lawmakers acceded to his request; a system of ports of

entry on the main highways into the state was set up; and running "hot" gasoline became an exceedingly precarious business. Gasoline tax collections increased amazingly. Receipts from mileage taxes were more than doubled. No new taxes were levied and the highway deficit was paid off. Maintenance was not slighted, chiefly no doubt because its efficiency was improved and its cost reduced.

TAXATION CHANGES

All state departments and institutions except the highway department had always been supported chiefly by a property tax, supplemented to some extent by a tax on cigarettes, a tax on insurance premiums, and an inheritance tax which yielded less than half a million annually.

The cigarette tax had been increasingly ignored—dealers seemed to be always forgetting to put the stamps on. A new boss, a new set of inspectors, and a new stick-tight stamp has practically doubled receipts from this source.

One new tax was introduced—an income tax. It yielded less than one million dollars the first year and has increased to about one and three-quarter million dollars annually. To offset this increase in revenue, the property tax levy was reduced to the lowest figure in twenty years, and with lowered valuations now yields less than at any time since 1912.

In carrying out the third major feature of the long range program, many improvements have been achieved. In the highway department a small state patrol was established; bank robberies have almost ceased; and the patrol made a splendid record in running down some of the worst "bad boys" of the country.

Another improvement in the handling of criminals occurred at the state prison where it was decided to abolish a home for ancient and decrepit political wheel horses and hire able bodied guards—preferably those who could—and on occasion would—shoot. Age limits were established and a merit system inaugurated. Mental, physical, and marksmanship tests were required and breach of discipline now leads to immediate dismissal. An eight-hour day for guards on post was established where previously it had been twelve hours.

SERVICES IMPROVED

Several institutions, especially juvenile institutions, had very poor provision for hospital and dental work. Consequently, hospitals, operating rooms, and dental offices were fitted up in every case where they could be used. Every possible care is being taken to provide adequate physical corrections for boys and girls where formerly there was a tendency to regard this as beyond the state's responsibility.

A recreational program was also undertaken in charitable, correctional, and penal institutions. Radios were provided in the blind school, the industrial schools, and the hospitals. Modern moving picture machines were purchased for every institution where they could be used and weekly picture shows with the best films obtainable are being given.

New playgrounds were graded and equipped at an expense of several thousand dollars each in the orphans' home, the boys' industrial school, the state school for the deaf, the state training school, and the state hospital for epileptics. Landscaping plans were prepared and a program of beautification undertaken at all institutions.

Standards in the state university and colleges have been high always and no effort has been spared to maintain them. An interesting innovation was made at the Fort Hays State College, where several barracks abandoned by a CCC camp were adapted for boys having limited funds. They were charged one

dollar per week for room and two dollars for board at a special mess. In Kansas' two colored vocational schools, standards have been greatly improved. Teachers and curricula must now be approved by the state superintendent's office, where formerly these schools were good for little except political purposes.

It has been the aim of the state administration in Kansas to so conduct the financial affairs of the state that the threefold program outlined at the beginning of the administration could be accomplished. Officials try to remind themselves that every dollar that can be saved on waste is a dollar more to send some boy or girl to college; or that it will save a dollar for some farmer or home-owner, whose taxes should be further reduced.

Whenever a thousand dollars can be saved on buying goods, the state can give the care needed to half a dozen discouraged men and women in our insane hospitals that may keep them from a life-time of hopeless insanity. When farms and dairies can be made to produce the food needed, more wasted bodies can be sent to the state sanatorium to save them from the terror of the great white plague.

What is made on binding twine and auto tags and canned goods can be spent on surgical supplies, clinics, and operations. Dollars and cents in the state institutions frequently mean life and death. Beans and boiler compound, coal and cotton goods, hardware and hundreds of other items which the state buys and ships and stores and uses, mean the breath of life to thousands of men and women.

There is a continual effort being made in Kansas to improve the conduct of public business, provide better opportunities for the young people in the schools, give better care to the unfortunates who have been bruised in life's battles; and most of all, do what any loyal employee should do for any just employer, intelligently serve the interest of that employer, who in our case is the taxpaying public of the state of Kansas.

PERSONNEL IMPORTANT

People here, as in the United States generally, are essentially conservative. In spite of new or modernized constitutions in a few states, the adoption of city commission and city manager systems in some cities, and combination of counties here and there, most state and local administration is handled through practically the same sort of public organization as that which has been used since the Civil War. In consequence, good conduct of public business depends chiefly on good personnel, including the attitude of the electorate toward its common business.

Kansas has been more successful with its state finance and public affairs during the last few years than some of its neighbors because its own people have shown more intelligent, persistent, and friendly interest in what public employees were doing. Governor Landon, credited as he is with much of the honor for the showing made, has frequently testified to this fact. The present high morale of public employees in the state will probably last until the public wearies of well doing. Democracies get just about what they demand. What is everybody's business is somebody's business. It is the business not only of the hired public servant, but the business of every voter and every taxpayer. Eternal vigilance is the price of good government.

The State Runs the School in North Carolina

The Tar Heel state still superintending the destinies of its younger generation

JOHN PEELE *Elizabeth City, N. C.*

WHILE the national administration has achieved in the past four years a degree of federal centralization undreamed of before 1933, an unnoticed southern state has been quietly pioneering along the same trail of administrative concentration.

Today the North Carolina state government builds and maintains every mile of arterial highway and obscure country road within its boundaries. That same state government supplies all the support necessary to keep every schoolhouse open eight months. The same government approves and markets every municipal or county bond issue.

Perhaps none of these experiments is more striking than the revolution in education. The skeptic may assuage his doubts if he will harken to the story of Mary and Johnnie, of Willie and Lizzie.

Six years ago Willie went to high school at Blank Cross Roads in North Carolina. In the wet, cold mornings of a southern winter he rode to school in a creaking bus bought and operated by Blank County. Running down the hall, he stomped his feet on the floor of the frame building built by the county. He played baseball on the school nine and swung a bat bought by the county. He listened to a teacher paid by the county. He was called to account for his misdemeanors before a principal paid by the county. The county kept the schools open from harvest time until spring planting, which was usually six months. The rest of the year the county commissioners thought Willie ought to help on the farm.

His city cousin Mary went to high school in Blank Town six years ago. She changed classes in a handsome brick building erected by the city. She became the pet of a teacher—paid by the city. She went to school ten months for twelve years—at the expense of the city.

By 1937 Willie and Mary had graduated. Willie's sister Lizzie now rides to school in a steel-bodied bus—bought by the state and driven by a bus driver—paid by the state. The bus driver drives over roads—maintained by the state. But Lizzie has to ride five miles further than her older brother did, for she goes to a brick school building—built by the state (with federal funds). Her new school is not the Blank Cross Roads school of Blank County, but the consolidated rural school situated in an adjacent county. Lizzie flirts with a young math teacher—paid by the state. She is haled before a principal—paid by the state—for flunking her French. She and other country girls all over the state used to attend school for eight months. Lizzie's mother, who is president of the parent-teachers' association, protested to the county superintendent—paid by the state—that she

could not spare Lizzie eight months. So Lizzie now goes to school six days a week for six and a half months in order that she may be free to help with the canning and household duties at home during the busiest half of the year.

Johnnie now in school at Blank Town is studying to be a printer under a vocational instructor—paid by the state. Johnnie uses presses and type bought by the state. His best girl is taking domestic science. She cooks on ranges bought by the state, and her sister, in a commercial course, bangs on a typewriter provided by the state. Johnnie, like his country cousin, goes to school but eight months a year. Consequently if he should enter college, he will have to take a college entrance examination. His teachers get their pay checks from the state. Although they must pay more for rent and board, they draw no more salary than their college roommates teaching at a consolidated rural school.

In short, by act of the legislature, the state of North Carolina has taken over the entire school system, body and soul—possibly not quite, for the local citizenry still elect members of the school board who are responsible for policy.

North Carolina did not take over the maintenance of more than a thousand schools in the state as a matter of pioneering in education. There was no thought of setting a progressive course which sister states might follow. It was a question of dire necessity. If school doors were to stay open in 1933, the state had to keep them open. Municipal and county credit had been tortured and strained to the limit. Cities all over the state were defaulting on their bonds. Counties were little better off. Property, seized for taxation, would not bring the price of the taxes against it when sold under the gavel. Racked and exhausted by four years of depression, the whole nation lay prostrate. The bottom had fallen out of prices on North Carolina crops. Factories all over the state—save the tobacco mills in Winston-Salem and Durham—slowed and staggered production until they were almost ready to shut down.

SCHOOLS KEPT OPEN

In the shadow of national gloom the general assembly met in the spring of 1933. A great wail went up from large property owners: schools, they demanded, must be closed for one year. Mothers, fathers, and college professors rose up in arms against such a proposal. Piloting a careful course between Scylla and Charybdis, the governor recommended that the state take over the maintenance of the whole public school system. He suggested the imposition of a 3 per cent sales tax to meet the major part of the expense of such a program. For five months the legislature wrestled, strove, and agonized to find another way out. Finally it capitulated. An eight-months school term supported by a sales tax it should be.

By the fall of 1933 the new state administration had been established. A state school commission was set up to administer the meager $16,000,000 allotted to maintain the whole educational system. The results were often disheartening. The commission fell short of money to buy coal. Children shivered in cold March behind chilled desks in nigh unheated class rooms. Chalk ran short. School teachers were placed on a salary schedule ranging from a low of $40 to a top of $90 a month.

Yet while communities and cities in other states defaulted on the payment of teachers' salaries, North Carolina managed to pay the instructors of her children all that she had pledged them —little as it was. While Chicago ran

many months in arrears on checks for teachers, the Tar Heel state mailed each teacher's pay every month without fail. Other counties in other southern states might close the doors of their schools. North Carolina would keep hers open.

So the teachers, the children, and the school commission struggled through the term of 1933-34. The second half of the biennium eased the hardship and strain on the state school system. Under its discretionary powers to contract or expand the budget to meet revenue, the budget commission increased funds for the operation of the schools enough to iron out inequalities and to adjust pressing difficulties.

In 1935 the legislature reassembled to view its handiwork. A mighty groaning arose from the Goshen of the big cities. They had been shorn of their finely built, long term school systems. Organized teachers murmured against common labor wages. Rural parents lamented the consolidation of traditional rural schools and the near breakdown of the school bus system. Yet no alternative presented itself. The nation had advanced too far out of the depression for the legislature again to consider closing the schools. Counties and municipalities still lingered too near the brink of bankruptcy to think of shouldering their old burden again.

So the general assembly did its best to overhaul the strained machinery of the hastily enacted emergency school act of 1933. Teachers' salaries were raised 15 per cent for 1935 and 5 per cent more for the following year. The allotment for actual operation of the schools was jacked up. In order to accomplish this feat and still balance the budget, the legislature found it necessary to drop all exemptions from the sales tax on what were known as the necessities of life. They included flour, milk, fatback, cotton cloth, restaurant meals, etc. The cry against the sales tax, however, did not grow more strident because of the inclusion of these "necessities" of life. In addition, the new provision strengthened the enforcement of the revenue act by preventing merchants from padding their sales records with exempted items.

DIFFICULTIES ADJUSTED

In the two years that followed, the state's difficulties with its operation of all the schools began to adjust themselves. Tax collections picked up. Teachers ceased to grumble about salaries when candidates for all offices promised that they should get still another raise in 1937. School bus schedules were smoothed out. Rural fathers and mothers became reconciled to the consolidation of schools and the obliteration of county lines. A six-day school schedule enabled the country boys and girls to round out their eight months of education in six and a half months in order that they might help on the farm. The standards of teachers employed by the state grew steadily higher. City schools, which received such a body blow when they were humbled to improve the level of rural schools, began to scramble back to their feet. In special elections, those municipalities not overwhelmingly buried in debt, voted to supplement the state appropriation in order to provide longer terms and better salaries. The state law required, however, that such appropriations must be approved by a plebiscite in the city or county.

Meanwhile the state launched in 1934 a drive for improved vocational education. Agricultural teachers are now supplied to almost every rural school, and commercial courses are given in all town schools. Today North Carolina schools probably offer more vocational courses than at any previous time.

How far does this centralized state authority that provides all funds for operation of the schools for eight months venture into the field of local school administration? First, the commission prescribes and supplies the textbooks for use throughout the state. Second, it allots teachers on a uniform basis to the one hundred county and sixty-nine city administrative units. Teachers are apportioned to each unit according to a teacher load scale based on daily average attendance. (Some instances have been uncovered of attendance records that were padded to prevent a faculty from being shorn.) Third, the commission requires teachers to hold certificates that they have taken certain college work and have done practice teaching. Fourth, the commission can abolish a local school by consolidating it with a neighboring school. So far the commission has shown consideration for local sentiment in its reluctance to merge small schools against the protests of parents, children, and superintendents.

Here the scope of state school administration stops short. A local school superintendent still decides whether the curriculum shall include Latin or French, agricultural or industrial courses in vocational instruction, economics or ancient history, public school music or biology. County or municipal school boards still elect the superintendent, the principals, and the teachers for their children and their neighbors' children.

How about the future? Today no one in the Tar Heel state seriously considers any alternative to state education. The state legislature has just enacted a further 10 per cent salary increase for all teachers. New tax sources, made available by constitutional amendments passed last fall, will provide the needed revenue. The governor in his inaugural address advocated an even greater emphasis on vocational education. He has also championed successfully free text books in elementary schools to be supplied by the state instead of the present system of state rental of textbooks.

Thus North Carolina pioneers in its experiment with a state public school system. Problems loom ahead. Can the continued levy of a 3 per cent sales tax be justified? Will the state turn back to the general property tax that locally supported schools before 1933? Can the increasing revenue needed to support a state-wide school system be found elsewhere?

Equally important perhaps is the question of whether state centralization will be extended or curtailed. Will the state further adventure on its experiment in education by providing a nine-months term and a twelve-year school program? Will state authority impose a more rigid state-wide course of instruction? Or will local authority reclaim part of its surrendered right to support and maintain its own schools?

Will such a program work for other states? Several peculiar factors have contributed to bring North Carolina's unique school system into being. The first factor, of course, was financial necessity. Other states which have climbed out of the depression are unlikely to face similar conditions until the bottom drops out of the present boom. A second factor must also be reckoned with. North Carolina has no sizeable cities. Her largest municipality can claim only eighty thousand in population. Consequently there are no elaborate municipal school systems. But would the neighboring state of Virginia, for example, venture to take over the schools of such cities as Richmond and Norfolk? In the larger states such as New York, Illinois, or California, such a program would present almost insuperable obstacles in over-centralized administration.

Interstate Problems In Social Security

Residence requirements, interchange of assistance, interstate employment, and migrants among important questions to be considered

A. J. ALTMEYER — *Chairman, Social Security Board*

PROGRESS toward security is characterized as "a great coöperative enterprise" in the foreword to the First Annual Report of the Social Security Board. The social security act empowers the federal government to enter into a long term partnership with its states and their localities; it outlines a framework within which all three—federal, state, and local—may work together to protect the American people against economic hazards which cannot be met by anything less than a coördinated nation-wide attack.

This coöperation between government at various levels has proved as necessary to the success of the program as it is explicit in the terms of the act. But the very nature of this relationship raises other problems and demands another kind of government coöperation. A year's experience has shown that coöperation for social security must work not only along the vertical lines correlating federal, state, and local units, but also along horizontal lines among the several states.

The interstate implications of the social security act are an inescapable by-product of the act's emphasis upon individual state action and state responsibility for social security legislation. In a country as large and diverse as the United States, there is ample justification for the position taken by the social security act in reserving to the states the major responsibility for initiating and administering social legislation. Such legislation has no meaning except as it meets the needs of individual men and women and children. State governments are necessarily nearer to the people than the federal government in Washington and thus better equipped to set up practical plans in line with local needs. In the allocation of authority between the federal government and the states, the social security act therefore depends in the main upon state action; the old-age benefits program is the only part of the act to be directly administered by the central government. This localization of authority under state jurisdiction places upon the states the responsibility for making the social security program a success throughout the country.

The broad outlines of the act reserve to the states a very large measure of freedom. The diversity which results from this flexible arrangement is particularly evident in relation to public assistance—aid to the needy aged, the needy blind, and dependent children—and to unemployment compensation. In both, the state is charged with responsibility not only for financing, administration, and the selection of personnel, but also for setting up standards of eligibility and determining how much shall be paid to individuals and under what circumstances payments shall be made.

Every one of these duties involves many problems, and these problems, as encountered in the individual states, differ. They differ not only because of the wide variations in state and local resources, the character of the states' economic life, and their past experience in public welfare and social legislation, but also because of divergences in their traditions and the social outlook of their people.

These differences are what cause interstate problems and make interstate coöperation imperative. Though these problems are serious, they are by no means insurmountable. The social security act furnishes a solid foundation which provides a nation-wide pattern, assures the minimum essentials, and serves as a basis for interstate coördination. The states have already shown a willingness to look beyond their own boundaries, an awareness of the need for coöperative action, and a readiness to work toward it which gives much hope for the future. Some of the practical problems already raised in relation to public assistance and unemployment compensation will perhaps best serve to point up these interstate aspects of social security legislation.

In public assistance, during these first months while state programs have been getting under way and the load of applications has been heavy, problems relating to residence have been frequent. These are particularly perplexing because discrepancies between the provisions of various states leave some applicants in a kind of "no man's land" not covered by any state assistance plan.

The social security act makes certain general requirements regarding residence to which all approved state laws must conform. These requirements, like those relating to age and citizenship, make for a more liberal interpretation of eligibility for assistance than those embodied in most earlier state and local assistance provisions. The act provides that no approved state plan shall exclude anyone from either old-age assistance or aid to the blind on grounds of insufficient residence who has lived in the state for five out of the last nine years and for one year continuously before making application. No dependent child may be denied aid on these grounds who has lived in the state for one year or who has been born in the state within the year, provided the mother had lived in the state for a year preceding his birth. A state may make its residence requirements more liberal; it cannot make them less liberal. No local—town or county—residence requirements may, for example, be imposed which would exclude otherwise eligible persons from assistance under approved state plans.

STATE RESIDENCE REQUIREMENTS

The majority of the states have adopted substantially the definitions of residence embodied in the act; eight of the forty-two states with approved old-age assistance plans have made their provisions slightly more liberal, as have eleven of the twenty-eight states with approved plans for aid to the blind. For aid to dependent children all the twenty-eight participating states have adopted the residence requirement of the act except Vermont, which makes no requirement regarding residence for this form of assistance. Much of the insularity of earlier assistance provisions has thus been broken down, and considerable uniformity among state residence requirements has already been secured. But there has been one hitch in this progressive development. In defining and interpreting "residence" and "legal settlement," each state follows its own precedents; and since the point of view and practice of the several states is frequently divergent, many anomalies still remain.

Some states, which have long been accustomed to the employment of migrant workers and in which there is not likely to be any great influx of potential dependents, are liberal in their interpretation of residence and lay no great stress on "legal settlement." Others, for various reasons, have adopted a considerably more stringent policy. In some of the older states with strong precedents of local responsibility, certain traditional barriers still tend to exclude "outsiders" from state aid. In others, where a favorable climate is attractive, particularly to old people and health seekers who are likely to become dependent, there is a very real possibility of overloading the state with a disproportionate assistance burden. Such states are likely to make their definition of residence more restrictive. Under these circumstances, many people who are in need of assistance cannot receive aid, because they have lost legal residence in one state and have not yet established it in another, and others are compelled to stay in one state when they could be better and more economically provided for in another.

NEED FOR INTERSTATE AGREEMENTS

Three possible ways of meeting this problem have been discussed—the abandonment of all settlement laws, the enactment of uniform settlement laws, and the development of interstate agreements to care for non-residents. Of these alternatives, the last is probably likely to prove most feasible at present and, as a matter of fact, steps in this direction have already been taken.

This proposal calls for reciprocal agreements for interchange of assistance responsibilities between the several states. Where the number of cases involved is substantially the same in any two states, such an arrangement would be equitable and relatively simple to administer. In the states which are most subject to immigration from other parts of the country, this interchange basis might not be sufficient; if so, it could be supplemented by some provision for charging back part of the cost to the state of original residence.

Such agreements are of advantage both to individuals in need of assistance and to the states. A rigid enforcement of residence requirements may work many hardships, particularly upon the aged. If, having moved from his old home in search of work or health or to live with relatives, an individual then becomes dependent, he may find that he is ineligible for assistance in both states. He is no longer a legal resident in the old state, and has not yet established residence in the new. Another kind of problem occurs when a dependent person would be better off if he moved to another state, but is compelled to stay where he is or lose assistance. Take, for example, the case of an aged widow left entirely alone after her husband's death except for a married daughter living in another state. The daughter offers her mother a home, but cannot support her without some aid. The mother would be happier and better cared for with her family, but she cannot move and still receive her old-age assistance payments from her own state. Yet the move would be not only better for her but more economical for the state since, if she lived with her daughter, she would need only a small supplementary payment instead of the entire support which the state is compelled to pay as long as she lives alone.

Some steps have already been taken toward interchange of assistance responsibilities. California and Maryland are already giving assistance to persons in other states upon the investigation of the proper agency in the state where the recipient is now living. And much of the new legislation authorizes the state administrative agency to enter into

agreements of this kind with the agencies of other states.

Another point at which public assistance crosses state lines is in securing and verifying information relating to applicants. Age and citizenship must be established, resources looked into, relatives interviewed. Every state agency must frequently ask the help of agencies in other states in these and other details of adequate investigation. But without uniform procedures, this exchange of services frequently involves unnecessary work on the part of the state from which inquiries are requested, and in some cases, more expense than the coöperating state should be asked to assume. Time and effort are often wasted because the request for information is not clear and accurate. Sometimes, too, through ignorance of distance and transportation difficulties, one state may ask another for investigations which necessitate more travel and time than is warranted. Interstate agreements would help to eliminate these difficulties. The states could determine what kinds of services could legitimately be requested, they could work out standard forms for both requests and reports. At the same time they might well agree that each state would assume responsibility for paying the cost where time-consuming investigations were made at its request by an agency in another state. The possibility of some such agreement is already being explored with a view to establishing the necessary procedures.

In addition to these two problems where the possibility of interstate agreements has already been discussed by the states and the Social Security Board, there are a great many broader problems relating to eligibility and to standards of assistance on which the experience of each state is of value to others. The Social Security Board acts as a clearing house for such information and is prepared, at any state's request, to give its fullest coöperation in the development of the state's public assistance plans. But both the act itself and the policy of the board have consistently emphasized that it is the responsibility of each state to study its own needs and resources and to make its own decisions in the light of these findings. The board is not interested in setting up any rigid patterns. It conceives of the federal-state public assistance program as forming an integral part of each state's public welfare provisions and believes that, if it is to take its place in each state as part of a well rounded and carefully planned program, it must be firmly rooted in local understanding and support.

UNEMPLOYMENT COMPENSATION

The Social Security Board takes a similar position in relation to unemployment compensation. The social security act does not establish a system of unemployment compensation. What it does do is to reduce the barriers which have stood in the way of such legislation on the part of the states by removing the competitive advantages of employers in states without such provision. It thus makes it possible for every state, if it so desires, to provide this protection for its own workers without putting a burden not found elsewhere upon its own industries. The act establishes only a few minimum requirements for state conformity in unemployment compensation and expressly reserves to the states a wide area of freedom in developing provisions suited to local economic and industrial conditions. This flexible arrangement has the very great added advantage of giving ample opportunity for variation and experiment in a field of social legislation in which this country is still pioneering. The practical experience which is accumulating as state unemployment compensation laws go into effect will furnish the most valid basis for determining

what methods and procedures hold most promise. Meantime it is already apparent that in unemployment compensation the need of coöperation among the states, as well as between each state and the federal government, is particularly urgent. Some of the most perplexing problems already encountered—those relating to unemployment protection for workers whose employment carries them into more than one state—point explicitly to this need. A number of conferences have already been held and through these discussions the problems have been clarified and some practical sugestions made for meeting them through interstate agreement.

Perhaps the most important group of interstate workers is made up of those whose jobs for one employer carry them across state lines in the ordinary course of employment. This includes those engaged in transportation of all kinds, those who go out into the field on construction and similar jobs, traveling salesmen, and the endless varieties of persons whose work involves more or less travel. The problem is: shall employers of such persons be compelled to pay unemployment compensation, often under diverse provisions, in every state in which their employees work; or can the states reach mutual agreements whereby all unemployment compensation contributions for an individual worker can be made in one state, and all his benefits be payable in the same state?

The advantages to agencies administering unemployment compensation, to employers and to workers of establishing uniform state provisions and interstate agreements covering these points are obvious. For both the administrative agency and the employer coverage within a single state means a great simplification of record-keeping and procedure and consequent reduction in expense. For the worker it means increased assurance of benefits in case of future unemployment. Since each state bases duration of benefits on the amount of past earnings or employment covered by its law and requires a specified period of employment before the worker is entitled to any benefits, a division of coverage between several states might greatly reduce the duration of benefit payments or might even in certain cases exclude workers from any benefits.

DEFINITION OF INTERSTATE EMPLOYMENT

At present the prevailing opinion is that this problem can best be solved by adopting a uniform definition of interstate employment which will allocate all responsibility for the unemployment compensation of a given worker to a single state. All the difficulties in the way of such a solution have not yet been met. The definition of interstate employment has gone through a long evolutionary process which is not yet completed and meantime many of the state unemployment compensation laws already passed would require amendment to enable the states to adopt such a definition. The first unemployment compensation laws to be passed defined employment as including simply work of which all or the greater part is performed within the state. More recently, however, it has been felt necessary to set up numerous criteria in arriving at a definition of employment. The laws most recently enacted therefore define employment as including an individual's entire service, performed within and without the state, if it is localized in the state to the extent that the service outside the state is temporary or transitory in nature. In addition, there is included service not localized in any state, if some of the service is performed in the state and the base of operations or control, or the individual's residence, is in the state. Under these criteria the

majority of cases of employment in more than one state can be definitely allocated to one jurisdiction.

Conferences between members of the Bureau of Unemployment Compensation of the Social Security Board and state administrators are working on the details involved in such a definition. Their objective is to establish a basis of coverage which will be not only uniform but readily determined; it should not involve points which require elaborate records or complicated computations of employment; it should leave no loopholes for conflicting interpretations, but should rather be as simple and as nearly automatic as possible.

Interstate problems are raised by two other groups of workers—those who may become unemployed in one state after establishing unemployment compensation rights in another, and those migrants who do not work long enough in any one state to be eligible for compensation in case of future unemployment. A number of state laws contain provisions which would enable the state to enter into reciprocal agreements for payment of benefits to workers covered by its law who become unemployed in another state, and this problem is receiving detailed consideration. But both these groups present many difficulties and any solution would appear to necessitate considerable amendment to much of the existing legislation.

The need for a certain degree of interstate uniformity is also apparent in relation to the records and reports required of employers. An employer operating in a number of different states may have to keep a different kind of record for his employees in each state. The recent trend in a majority of states to make earnings, rather than employment, the basis for the payment of benefits has the advantage of furthering interstate uniformity, as well as of simplifying records.

These gaps and conflicts between the unemployment compensation legislation of the various states are a matter of serious concern to state administrators and to the Social Security Board. The genuine interest of state administrators in working out intelligent and mutually satisfactory agreements offers very real hope of finding sound solutions for these and other problems.

In the fields of both unemployment compensation and public assistance, frequent conferences between state administrators and the staff of the Social Security Board are forwarding the cause of coöperation in social legislation. Such conferences are perhaps our best means of pooling experience and of developing a broad perspective.

MANY GROUPS INTERESTED

Meantime other groups are also devoting much time and effort to the study of these problems. As long ago as 1930 the American Public Welfare Association organized what is now its Committee on Interstate Problems. More recently, the Council of State Governments has established an Interstate Commission on Social Security and Public Welfare. At the council's third general assembly, held in Washington, D. C., January 21 and 22, 1937, interstate problems of public assistance and unemployment compensation were discussed in detail, and resolutions, developed by this interstate commission under the chairmanship of William P. Ellis, commissioner of institutions and agencies in New Jersey, were passed by the council. The resolutions which bear most directly upon the problems discussed here made the following recommendations:

That uniform settlement laws be enacted, providing for one year's residence as a requirement for gaining settlement, and that provision be made for retaining settlement in one state until settlement is acquired in another state;

That states adopt the uniform transfer of dependents act which would authorize their state public welfare agencies to enter into reciprocal agreements with the corresponding agencies of other states in relation to the support and transfer of non-resident dependents; (This model law has been recommended to the states by the Commission on Uniform State Laws, the American Bar Association, and the American Public Welfare Association.)

That the Council of State Governments undertake studies relative to unemployment compensation and report their findings and recommendations to the Interstate Commission on Social Security by July, 1937. These studies are to cover problems of uniform determination of wages earned in more than one state and problems of uniform state laws relating to disqualifications for benefits.

In addition, the council also passed resolutions calling for federal responsibility for old-age assistance and other forms of relief to Indians; for federal appropriations for relief of transients and other unsettled persons; for authorization of state departments of public welfare to take certain measures to promote adequate relief to transients and persons whose legal settlement is temporarily in question; and for study of problems arising through unemployment in industrial and agricultural areas, which are undergoing fundamental economic changes, with the aim of providing for the retraining and relocation of workers.

In presenting these resolutions, Mr. Ellis pointed out that, "The existence of this commission is evidence that we are at last mindful of our inconsistencies....One thing is certain at the moment and that is, the administration of social security and public welfare laws has definitely outgrown the capacity of the locality and the individual state. Each of these levels of government can contribute effectively towards the whole program which must inevitably require the coöperation of the federal government to provide leadership, basic standards, and financial support. That pattern of coöperation has now been established. It remains for us to consider means of making it more effective."

With the broad freedom of action assured to the states under the social security act goes an equally broad obligation to enact social legislation which is practical and which will actually attain its objectives. The Social Security Board is prepared to make experience known from state to state, and to give as full coöperation to the states as they request and as its powers permit. It does not underestimate the difficulties that have been and will be met. Recognizing the very real values of localization by states to meet varying economic and social conditions, it is prepared also to meet the problems entailed in such a policy. For this and other reasons it regards as one of its most important duties the obligation, placed upon it by the act, of studying the operation of the present program and of recommending such changes as seem most likely to promote its objectives.

The experience accumulated in our first year under the social security act has demonstrated the capacity of the states to deal with these basic needs and gives definite promise that interstate problems will yield to the joint efforts for their solution which have been so well begun. In this single year more than 1,500,000 of the needy are now being given assistance through federal-state coöperation in forty-three states. In round numbers approximately 18,000,000 workers are employed in jobs covered by unemployment compensation provisions in the thirty-eight states with laws already approved, and

in five additional states unemployment compensation laws have recently been passed. Legislatures in most of the states not yet fully participating in the act are now considering action looking toward further coöperation in the nation-wide program. Meantime, states in which public assistance and unemployment compensation provisions are already in operation are working toward more effective procedures both in their own states and in their relationships with other states and with the federal government.

Social legislation can never be divorced from the problems of the individual states and communities which it serves. But though the problems it is designed to meet are in one sense local, they are never merely provincial. In a closely knit industrial society like ours, isolation is already a thing of the past. The federal government, the states, and their communities are learning that they must —and can—develop the capacity to see both the forest and the trees. This broad perspective on both nation-wide and local issues, coupled with intelligent open-mindedness to change and growth, and a determination to profit by the lessons of our own experience, will assure our continued progress toward securing the basic essentials of economic and social welfare throughout the length and breadth of the country.

Editor's Note.—This is the third of a series of articles appearing in the Review dealing with administration of the social security act. The first two will be found in the February and March numbers.

LOCAL SELF-GOVERNMENT

(Continued from Page 174)

large measure the requirements of the state administrative district scheme.

A recapitulation of our thesis is in order. On the basis of the writer's experience with local government for twenty-five years both in governmental research and in citizen movements for local government rehabilitation, these tentative conclusions are offered:

1. That the preservation of the democratic foundations of our government depends upon the readjustment of local government units to the purposes of self-government;

2. That through centralization of authority and responsibility always upward from the local governing unit to the state and national governments, local self-government is being devitalized;

3. That local self-government can be revitalized only by a readjustment of its units in such a way that each unit shall represent as far as possible a community of social and economic interest;

4. That the zoning of state area and population in accordance with land use offers the most satisfactory plan for determining the limitations of both state and local self-government responsibility and capacity;

5. That by means of such zoning and the adaptation of the forms and duties of local government units to the needs and resources of the several zones, "community of interest" is given opportunity to develop through citizen initiative;

6. That the decentralization of state administration through the establishment of administrative districts which shall bring necessary state services and facilities closer to local self-government and complement its activities, is a desirable next step and should conform as far as practicable to the zone plan of local self-government.

RECENT NEWS REVIEWED

NOTES AND EVENTS
Edited by H. M. Olmsted

Council-Manager Plan Developments.— In several states where the type of city government depends wholly or partly upon special legislative acts for each city, bills have been or will be introduced to broaden home rule powers.

The Illinois legislature, which previously gave only cities and villages under five thousand population the right to set up council manager government, has before it a bill to extend the enabling provision to cities of any size.

The legislature of Maine is considering a bill to authorize towns to establish the office of town manager. At present municipalities seeking this plan must secure a special charter from the legislature and submit it to local referendum. The proposed law is unusual in its provision that two or more towns may unite in the employment of a town manager. Meanwhile several towns have applied to the legislature for manager charters.

A council manager enabling act for Indiana cities was introduced at the present session of the legislature but defeated in the senate because of the failure of a motion to suspend the rules and permit it to advance. There is a real revival of interest in the plan among many cities, including Huntington, Jeffersonville, and Gary. Several years ago the Indiana supreme court declared the old act invalid.

A bill has been introduced in the Nebraska legislature proposing a city manager plan of government for any city or village desiring it.

When the Florida legislature meets in April, action will be taken on a new municipal code for optional plans of local government. At present home rule provisions are entirely lacking.

Tennessee and Oklahoma, two states in which practically all cities can adopt the manager plan without special legislative action, will probably consider the enactment of a county manager bill.

At present nine states require their cities to go to the legislature for a special act to change their form of government. These are Delaware, Florida, Georgia, Idaho, Indiana, Maine, Mississippi, Rhode Island, and West Virginia. In West Virginia home rule was approved by voters in 1936, and enabling legislation is being considered.

In Georgia, where fifteen cities have come under council manager government through special legislative charters, Cedartown and Americus have prepared bills to provide them with this form of government. Kentucky cities of the third class—population, eight thousand to twenty thousand—can adopt the manager plan by an act passed in special legislative session at the end of 1936. Previously only second and fourth class cities had this privilege.

A bill providing a city manager for Pittsburgh, Pennsylvania, passed the house unanimously, with its fate in the senate doubtful. A similar bill for Philadelphia which is exciting active interest has just been introduced. A bill making the plan optional for third class cities has also been introduced.

According to the *Gazette*, Charleston, West Virginia, the legislature will be asked to allow that city to vote on the plan.

In Binghamton, New York, supporters of the mayor and council plan have succeeded in having a referendum on the present manager plan set for April 20th.

A bill to destroy the manager plan in Knoxville, Tennessee, has been passed by the state house of representatives and is now before the senate.

The Des Moines, Iowa, city manager committee composed of representatives of civic clubs recently endorsed the proposed Iowa house bill clarifying the city manager law as applied to Des Moines. Fort Dodge and Clinton, in the same state, are showing much interest in the manager plan. A petition bearing more than two thousand names was filed with the Fort Dodge council on March 6th, calling for a popular vote on the manager plan.

The mayor of Marion, Virginia, is sponsoring the adoption of the manager plan in Marion through a series of articles in the local paper. In Rochester, New Hampshire, a strong movement is reported under way for the adoption of the manager plan. The *Dispatch* of Columbus, Ohio, states that the local Property Owners' Association has filed a mandamus suit in the supreme court seeking to compel the city council to submit to the voters a proposed city manager amendment to the city charter. A bill providing for a county manager for Wichita County has been introduced in the legislature of Kansas.

Edna, Texas, is considering the adoption of the manager plan by ordinance. According to the *Call* of Newark, New Jersey, a commissioner has been appointed to conduct a hearing on the disputed decision to deny petitioners for the city manager group permission to hold a special election.

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Unique Type of Government for Lincoln, Nebraska.— As the new unicameral legislature gets under way in Lincoln, capital of Nebraska, the citizens of that city await the change in government in May which will place a seven-man council in the city hall and institute a cross between the manager and commission forms of city government. Since 1913 Lincoln has been supervised by a five-man commission, one of the members being mayor, and each member presiding over one of five departments. At the city election in May seven councilmen will be elected at large. At their first meeting, however, they will not divide up departmental duties. Instead, they will proceed to appoint three directors to head the three new divisions of city administration—department of public parks, public property, and improvement; department of public welfare and safety; and department of accounts and finances.

None of the council members is to be assigned to any given department, for the council is merely a supervisory body as far as administration of public affairs is concerned. It is still to be the policy-making division, and has full power to discharge any one or all of the directors at any time. The council is also to appoint the city attorney, city engineer, city clerk, and various other officials and office help.

Assuming that the same public-minded type of men will direct city policy in the future as in the past, the chamber of commerce, junior division, offered the seven-man plan two years ago to reduce expense, simplify organization, and fix responsibility more firmly on department heads. It is also assumed that where an efficient government has operated with an unwieldy set of departments, the same city's government and personnel will do still better with a simplified set-up.

Does the new plan represent simplification? Is responsibility for policy and administration more firmly fixed than before? By dividing administration among three directors does the plan provide for such a disorganized and disunited city government that the citizen will not know where to go to lodge complaints or to have a hearing?

At the first meeting of the new council following election, the mayor, who is elected as such, is to preside. He has no veto power as to ordinances, resolutions, or measures of any kind. By express provision, he is "to serve as general city supervisor." But can he, in his position of general city supervisor, tell the directors just how to administer their departmental activities? If he can, the mayor is the man to whom citizens have recourse in case of protest or petition. If he has that power, he is potentially all-powerful. The problem revolves around the question whether "supervisor" means the right to direct administration of departments.

The amendment to the city charter referring to election provides that at the general city election to be held in the year 1937 there shall be elected at large one mayor, who will serve for two years, and six councilmen. The

three councilmen receiving the highest number of votes will serve for four years and the other three will be in office for two years, when an election of three councilmen for four years will be held.

The present councilmen receive $2,000 a year and the mayor, who is a member and the chairman of the council, is paid $500 extra. Under the new plan each councilman will be paid $10 for each meeting he attends, the council to meet at least once a week, and the mayor to receive $500 extra, as before.

BURTON MARVIN

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Ground Broken for Public Administration Headquarters.—Progress towards construction of the new public administration building, at the southeast corner of Sixtieth Street and Kenwood Avenue on the south front of Chicago's Midway, was marked on March 15th by the breaking of ground for the structure. The building, which is to house the fourteen autonomous associations of public officials now having their headquarters at 850 East Fifty-eighth Street, is tentatively being called the "Public Administration Center." Executive directors of the governmental associations, university officers and members of university departments most interested in the work of the associations toward governmental administration were present at the ceremony.

Funds for the erection and maintenance of the building were given the University of Chicago by the Spelman Fund of New York.

■

States Consider Court Revision.—The proposals for retirement of federal judges for age, and for other changes in the federal courts, have been followed by activity concerning state tribunals.

In Pennsylvania a proposed law provides that no state court shall have power to declare invalid any law adopted by the general assembly. It was referred to the committee on constitutional amendments. A bill introduced in the state of Washington would provide that no statute enacted by legislation or by initiative shall be held invalid except by concurrence of two-thirds of the judges.

Whether or not inspired by federal example, other states are considering legislation designed to provide retirement compensation for aging members of their judiciary, a study by the Council of State Governments shows. State provisions, however, are less generous than the supreme court retirement bill recently passed in the United States Senate, providing for retirement on full pay at seventy, after ten years' service on the bench.

A Wisconsin bill, sponsored by the state administration, specifies that any state supreme court judge who has served ten years and any circuit judge who has served fifteen years may retire at sixty-five on half pay. All jurists who choose to retire "shall have the powers of a court commissioner, and shall perform such judicial or other public duties and functions as may be assigned to them from time to time by the supreme court."

Acts just introduced into Minnesota's legislature would repeal the laws covering compensation for aged and retired judges of the supreme and district courts in certain cases, and would provide optional retirement at seventy, on half pay. An act proposed in Delaware provides a life pension of $150 a month to all former members of the state judiciary more than eighty years of age who have served twelve years in the supreme court. In all states providing pensions or retirement, compulsory or optional, seventy is the usual age specification.

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Unicameralism.—The example of Nebraska, in establishing a legislature of one house only, is bearing fruit in activity elsewhere. Besides Ohio, previously mentioned in this department, twelve other states are reported as having proposals before them of similar character: California, Colorado, Kansas, Minnesota, Montana, New Jersey, New York, Oregon, Texas, Washington, Wisconsin, and Wyoming. The legislature of Arkansas has already in 1937 defeated a proposal to make it a single chamber. The New York and Massachusetts legislatures did similarly last year.

■

Civil Service Advancement by Uncivil Means.—Employees of county welfare departments in Indiana have been placed under the merit system through a statute passed under unusual circumstances early in March, according to the *News Letter* of the Civil Service Assembly of the United States and Canada. The new law will give the state public welfare department supervision over the selection of county welfare employees. The *News Letter* states: "The original bill was reported to be

missing after having been lent to a county official. Then Wayne McCoy, state public welfare director and an advocate of the bill, was assaulted and knocked unconscious. It was generally believed that Mr. McCoy's sponsorship of merit provisions was the cause of the attack on him. Popular feeling ran high as a result of this attack. A new bill was substituted for the missing measure and quickly passed by the legislature under suspension of rules. Only one vote was cast against the welfare merit bill in the house of representatives, and the senate approved the measure by a unanimous vote."

Merit System Progress.— All employees of the federal prison system not already in the classified civil service, with the exception of the director and three assistant directors, were given civil service status in February by order of President Roosevelt. All future appointments are to be made from civil service eligible registers.

The eighth annual meeting of the Eastern States Regional Conference of the Civil Service Assembly will be held at the Hotel Commodore in New York City, April 22-24.

Safeguards against patronage appointments to jobs in state departments newly created to administer the social security program are being taken in a number of the thirty-seven states which have not yet established general merit system provisions, according to the assembly. First examinations for clerical employees of the Unemployment Compensation Commission of Michigan were held on March 20th, with the legislature considering a general state civil service law. In 1936 prison employees were put under the merit system there, and the state emergency relief administration set up a civil service system for all state and county relief employees.

Idaho, another state where civil service for all state departments is considered, has set up a merit system in the unemployment compensation division of its industrial accident board. Mississippi reports that civil service procedure will be used for the first time in establishing the Mississippi Employment Service, to be connected with unemployment compensation activity.

Minnesota has just established by ordinance a bureau of labor to regulate employment of skilled and unskilled workers, giving the laborers, in effect, a civil service standing.

Wellesley Institute for Social Progress.— "The World Challenge to Democracy—How Can America Meet It?" is the subject for the Summer Institute for Social Progress to be held July 10-24 at Wellesley College, Wellesley, Massachusetts. It is hoped that the point of view of those interested in better city government will be represented in the membership. The institute will present discussions of present-day problems by men and women in the professional, business, and industrial world. Dr. Colston E. Warne of the economics department of Amherst College will be the leader. Those interested in attending should write to G. L. Osgood, 14 West Elm Avenue, Wollaston, Massachusetts.

COUNTY AND TOWNSHIP GOVERNMENT

Edited by Paul W. Wager

Tennessee—*Council-Manager Plan for Hamilton County Blocked in Legislature.*—Following an audit-survey by Griffenhagen and Associates in 1935 disclosing evidences of maladministration and inefficiencies, a few months of public outcry against the administrative practices in Hamilton County crystallized in the organization of "The Volunteers," an association of young business and professional men. After a careful canvass of various reform measures in other states, the group sponsored a modified council-manager plan, which stripped the county court, composed of justices of the peace, of all its statutory administrative and fiscal duties, transferring them to a council of five elective members, with the county judge acting in an advisory capacity. The council was empowered to employ a manager who would possess the conventional managerial functions. There were to be three departments: accounts and purchasing, highways and public works, and health and welfare. Separate bills set up a drastic budget system and a school board to be chosen by popular vote. In the 1936 campaign the issue was clearly drawn and opponents of the volunteers' program, which had been widely published in summary form, were

defeated for the legislature. Apparently, however, the pledges of the successful candidates were not sufficiently iron-clad to be binding, for, upon assembling in Nashville, the Hamilton delegation split. The senator refused point-blank to introduce the bills, and one member of the house squirmed out of his promises. In the meantime, under the drumfire of editorial comment, the courthouse ring decided to concoct its "reform plan," drafted by the county attorney. This omnibus measure combined some of the best features of the earlier bills, together with several other items of very dubious administrative feasibility. Having failed to reach any compromise, a quiet campaign is now under way to violate the practice of legislative courtesy and to force the "courthouse bill" through the lower house, whence it will pass the senate without opposition. While it is not customary for the governor to intervene in local squabbles, it may be necessary for the volunteers to request a veto of this particular bill on the ground that an aroused Hamilton County electorate has already signified by some seven thousand signatures to petitions that the volunteers' bill is desired, and that to override two out of three members of the house would be unwise. At all events, the bill which started as a local measure has received state-wide attention.

A similar bill for Knox County passed both houses, was signed and went into effect by the governor's appointment of three commissioners to supplant the county court. At present writing the Knox County commission faces an injunction and proceedings will doubtless reach the supreme court some time next summer.

Anti-Fee-Grabbing Measures.—While Montgomery County is the first to set up courts of general sessions to displace the J. P.'s, Hamilton County is stymied by the same general conditions as discussed above. The representative who was pledged to support the anti-fee bill drafted under the direction of the Committee of One Hundred now has stated that he will not support such measure because he "does not see the need" for it at the present time.

F. W. Prescott
University of Chattanooga

Virginia—*Audit Aids Counties.*—The recent annual report of the Virginia state auditor, Mr. McCarthy Downs, describes a phase of state-county relations which has proved beneficial to the local governments. The state audit has been extended to the accounts of boards of supervisors, school boards, treasurers, commissioners of the revenue, trial justices, and clerks of courts. The accounts of clerks of courts were audited last year for the first time. Some irregularities were found and as a result one clerk has been suspended from office. The state auditor's office has designed a uniform system of accounting which has been adopted by one-half of the county clerks of courts. This work of the Virginia auditor in correcting bad accounting practices is as important as his work in finding errors in the accounts of local officers.

In addition to the state audit of those local agencies mentioned, a gesture has been made in the direction of the towns and the sheriffs' offices. The principal deterrent to extending the audit as far as the law contemplates is not lack of enthusiasm on the part of the auditor's office but lack of funds to employ a sufficient staff. Some interesting things may result from an audit of the sheriffs' records. A casual survey made recently shows that their accounts are in bad shape. The auditor has provided a simple form for keeping a record of their receipts and disbursements. At the annual meeting of the Virginia Sheriffs Association one of the members of the auditor's staff explained a few elementary and ethical principles of record-keeping whereby personal accounts might be kept separate from the public money.

In his recent annual report the state auditor made several important recommendations. I shall mention only two. As far as possible the county fund accounts which in some cases run as high as forty-eight separate accounts should be consolidated and the county placed under the unit levy plan. Another interesting recommendation is that each county should employ a bookkeeper to keep the accounts of the trial justice, the sheriff, the treasurer, and the clerk of the court. The reviewer agrees with Mr. Downs that: "The adoption of this suggestion would simplify the account-

ing activities and coördinate all county records under one responsible person."

Students of county government might be interested to know that the Virginia state auditor publishes the following publications: *Comparative Cost of Local Government*, a *Manual of Uniform System of Accounting*, and a *Budget Manual*.

James E. Pate
College of William and Mary

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Missouri—*Legislation Pending.*—As anticipated in a January note, a dozen or more bills to adjust and to restore salaries of county officials are in the legislative mill. There is also a bill providing for a one-judge county court (i.e., county board) and a proposed constitutional amendment reducing the age for recipients of old-age assistance from seventy to sixty-five years.

Only one bill affecting counties has passed the house to date (March 1) and none has passed the senate. The house bill would re-establish the office of treasurer, which in 1933 was combined with that of collector as an economy measure. A similar bill would provide for a separate recorder of deeds in certain counties where the circuit clerk is now *ex officio* recorder. Another bill proposes to increase the term of the prosecuting attorney from two to four years, as is true of all other officials elected from the county at large. A proposed constitutional amendment would permit the sheriff and the coroner to succeed themselves.

Several bills affect local finances. One would abolish the poll tax, now optional for local road purposes. Another would abolish the state tax of five cents per hundred dollars valuation on general property. Another is designed to reach intangibles. Still another would require surety bonds of all county officials to be paid for by the county; surety bonds are now optional and must be paid for by the official himself. An amendment would prevent the archaic method of loaning school funds on real estate.

There are several road bills. One would extend the state highway system; others would extend the supervisory authority of the state department over local roads. Another would give the counties authority to levy a tax of one cent per gallon on gasoline. Several bills propose minor changes in the laws relative to the county hospital and to public welfare.

A number of proposals apply only to the larger counties. The most significant one would give constitutional home rule to St. Louis County. Another would provide for county planning and zoning in Jackson and St. Louis counties.

William L. Bradshaw
University of Missouri

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Kansas—*County Bills in Legislature.*—The *Junction City Union* of February 27th reports that Senator Arnold Todd of Wichita has introduced a bill providing for an optional county manager form of government for Kansas counties. The plan may be adopted in any county by majority vote on submission of a petition signed by 10 per cent of the voters at the last election of secretary of state.

The plan as proposed calls for the election of three commissioners for a term of two years who will appoint the county manager, and the election of only three other officials —provided for by the constitution—county superintendent of schools, probate judge, and clerk of the district court. All other officials would be appointed by the manager.

Consolidation of Kansas City and Wyandotte County is also proposed in a bill introduced by Senator Joseph S. MacDonald of that county. The bill provides for a referendum on the question of consolidation after submission of a petition signed by 10 per cent of the voters. Should the referendum carry, a five-member charter commission is to be appointed by the county board, to draw up a charter within ninety days of its organization.

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Maine—*New Plan of Government Proposed for Darlington County.*—A combination of the commission and manager plans of government for Darlington County is the recommendation of the committee appointed at the public meeting held upon the call of the legislative delegation, according to the *Hartsville Messenger* of March 4th. The plan provides for a board of five directors with authority and responsibility for the unified executive control and management of county affairs who will serve as chairmen of the various county de-

partments. This board will appoint a manager who will become the administrative officer under its direction and will also serve as purchasing agent of the county.

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Wisconsin—*Fewer Taxing Units in Milwaukee County.*—A bill has been introduced in the legislature now in session providing for the merger of the Milwaukee County Metropolitan Sewerage Commission and the City of Milwaukee Sewerage Commission. The people of Milwaukee are now living under eight layers of government; the proposed merger will reduce the number to six, for the two sewerage commissions will be abolished and their functions assumed by the county board.

The bill provides for a commission of three members: one resident of the suburbs to be appointed by the state board of health, and two residents of the city of Milwaukee, one to be appointed by the mayor and common council, and the other to be appointed by the governor.

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Nebraska—*Another Effort to Secure County Home Rule.*—Again a measure has been introduced in the legislature providing for an amendment to the constitution which will give the counties home rule. The constitution now says that "the legislature shall provide by law for the election of such county and township officers as may be necessary." The amendment would add: "provided, however, the legislature may provide by law for a form of county government in which county officers may be elected or appointed, but such form shall be optional with each county and shall obtain in any county only upon the adoption thereof by the electors of such county." If approved by the legislature, this amendment will be voted on at the regular election in November 1938.

It will be remembered by readers of the REVIEW that Douglas county voted to adopt the county manager form of government and it was to have gone into effect January 1937. The election was challenged on the ground that it was unconstitutional. The court sustained the challenge. The proposed amendment will clear the way for such improved methods of county government in the future.

TAXATION AND FINANCE

Edited by Wade S. Smith

Effect of the Depression on the Indebtedness of Massachusetts Cities and Towns.—Those familiar with the general temper of New England will realize that during the depression years most Massachusetts communities have been subjected to a severe strain. In particular, the idea of going into debt as a matter of policy regardless of the urgency of the work to be done has had to contend with inherited traditions of economy which form the bedrock of public consciousness in most New England localities.

While this conflict has, on the whole, favored the traditional attitude towards public spending it has by no means been entirely one-sided. Fully one-third of all communities in Massachusetts have accepted PWA loans and more than one-fourth of them have increased their indebtedness largely as a result of so doing. Valuable by-products have been the infusion of new vigor into town meetings and a thorough-going review of the local governmental machinery in many hitherto complacent communities.

Approximate figures for total and net outstanding debt at the close of the fiscal year for the three hundred and fifty-five cities and towns of Massachusetts for the past eight years are:

	Total Debt	*Net Debt*
1929	$335,985,000	$284,132,000
1930	351,580,000	301,710,000
1931	364,418,000	316,651,000
1932	356,030,000	311,892,000
1933	353,419,000	311,291,000
1934	343,710,000	302,391,000
1935	334,116,000	298,700,000
1936	324,722,000	293,092,000

The local debt of these communities, after reaching a peak at the end of 1931, has now declined to a normal level. This generally favorable condition exists in spite of the issue of nearly $200,000,000 of new bonds during the depression years and the acceptance of federal obligations eventually totalling $45,000,000. Temporary tax loans, which reached a peak in 1934 when they amounted to 27 per cent of visible revenue receipts,

declined both in 1935 and in 1936; even at their highest level they revealed a substantial margin of safety. While welfare expenditures of the cities and towns of the state trebled themselves as between 1929 and 1933, nevertheless total maintenance payments due to local economies and to other factors noted later on, decreased both in 1933 and in 1934, and on the strength of such data as are now available promise a further drop for the year 1935.

It has conceivably been easier for the cities and towns of Massachusetts to maintain their solvency during the depression than has been the case in some other sections of the country. Population growth is slower and municipal debt ratios are low; traditions of thrift are strong; there is a cushion of accumulated wealth. Moreover there are, as pointed out by the state director of accounts in a recent article,[1] two factors which have especially contributed to the relatively favorable showing given above.

First, by requiring all bond issues for public purposes to be of the serial type, to have terms well within the estimated life of the improvement, and to start their amortization not later than one year from the date of issue, with serial payments diminishing as the term progresses, the incurrence of haphazard indebtedness has been thoroughly discouraged and the credit of the municipalities protected. Second, tax title loans—short term loans made by the commonwealth to the municipalities against taxes on delinquent property taken over by them—have aided the cause of financial solvency by providing a ready market for temporary tax anticipation notes (tax title money being ordinarily used to redeem such notes) and have thus served to avoid the funding of temporary obligations. The rapidity with which tax title loans have been paid off—over half of them within a year's time—suggests a more general use of this method of financing than has heretofore been the case.

The foregoing, of course, is not the whole story. Federal emergency contributions aggregating $250,000,000, municipal salary reductions, and voluntary contributions both by municipal employees and by the general public greatly eased the debt situation. Had it not been for these various forms of direct assistance local debt in Massachusetts would unquestionably present a different picture from that shown by the table, although how much larger the residuary debt would be is problematical. It could hardly have included the amount of the federal contributions, in any event, as work relief under local auspices would have been keyed to a subsistence dole rather than to a prevailing wage scale and overhead would have been all but eliminated.

As to the character of the changes in local bonded debt that have taken place during the past five years, analysis shows that if welfare debt be excluded most governmental functions would show a reduction. Increases in debt were due to the cities of the state rather than to the towns and in particular to the city of Boston, which made substantial additions to its fire and police properties, its libraries, and its traffic facilities—including the construction of a submarine vehicular tunnel—during these years. Indeed, with figures for Boston eliminated the total outstanding debt of the cities and towns of the state (except welfare debt) taken as a whole shows reductions in respect to all governmental functions.

THOMAS L. HINCKLEY
Boston, Massachusetts

[1] "City and Town Indebtedness in Massachusetts," Theodore N. Waddell in *The Massachusetts Selectman*, October 1936.

Property Tax Collections Approach Pre-Depression Normal.—Property tax collections in the year of levy are already better than in 1931 and in another year should be on a par with the pre-depression level generally accepted as about normal, according to the fourth annual study of tax delinquency by Frederick L. Bird, director of research of the municipal service department of Dun & Bradstreet, Inc., published in mid-March.[1]

Not only is the year-end median delinquency in 150 cities of over fifty thousand population for the year just closed slightly under that for 1931 and within less than four points of that of 1930, but forty-six of the cities actually bettered their 1930 records, Dr. Bird's survey shows. This compares with

[1] *The Trend of Tax Delinquency, 1930-1936*, by Frederick L. Bird, Copyright 1937 by Municipal Service Dept., Dun & Bradstreet, Inc., New York. Parts reproduced here by permission.

twenty-six cities which in 1935 collected a higher percentage of that year's taxes than they had of the 1930 levy in 1930. Moreover, at least twenty-six cities had the distinction of closing 1936 with 7 per cent or less of the year's taxes uncollected (i.e., one-half, or less, of the median delinquency for the year) the honor roll being led by San Jose and San Francisco, California, Madison, Wisconsin, and Birmingham, Alabama, each of which collected 98 per cent or more of its 1936 levy during the year.

Attending this general improvement, however, are the to-be-expected situations in which continuing poor collections are evident. But only two cities reached new delinquency peaks in 1936, one of them because of a change in tax sale and collection dates, and only a few cities fell below their 1935 level. And as might be anticipated, those cities which had been least affected by tax delinquency recovered most rapidly, and the hard-hit cities were relatively slower. To illustrate this, Dr. Bird compared the records of the twenty cities showing greatest stability of collections with the twenty cities showing the least stability, the comparison clearly indicating the lagging recovery of the least stable municipalities. The comparison, together with the median delinquency for the 150 cities, is shown below:

Median Trend of Year-End Tax Delinquency

	20 Most Stable Records	*150 Cities*	*20 Least Stable Records*
1930	6.30	10.15	11.85
1931	7.60	14.60	18.55
1932	9.95	19.95	27.20
1933	11.65	26.35	39.05
1934	9.20	23.05	34.55
1935	8.05	18.00	28.55
1936	7.20	13.90	21.15

Stable economic resources, escape from excessive realty speculation, and efficient, rigid tax collection systems have in general marked the cities showing the most stability in tax collections, while the absence of these factors has in general been apparent in the twenty showing least stability.

While the average city has suffered a severe curtailment of revenues from current taxation, amounting to over one-fourth during the peak year, back tax collections have been an offsetting factor. Indeed, for budget-balancing purposes, rapid back tax collection may well reduce current delinquency to a minor problem, and in some cities this has been the case. Analyzing the total accumulated delinquent taxes outstanding at the end of 1936 in relation to the 1936 levy, for 109 cities for which data are available, Dr. Bird finds that while the range of arrears in percentage of the 1936 levy is very wide, the median for the entire group is 43.6 per cent, as compared with a median of 48.4 per cent for an almost identical group at the close of 1935, "indicating material progress in the reduction of accumulated back taxes." Moreover, eighteen of the 109 cities show an accumulated arrears ratio of less than 22 per cent, led by San Francisco (6.7 per cent) and Binghamton, New York (7.9 per cent). Other cities ranged upward to well over 100 per cent. In most cities, this accumulation of delinquent taxes represents a realizable asset, as is shown by the relatively rapid collection of taxes a few years after the year of levy. For ninety-one cities for which comparable data are available, Dr. Bird finds that on taxes levied in 1933, the year of peak delinquency, only 4.4 per cent remained uncollected, on the average, at the close of 1936, with, however, some glaring exceptions. The average rapidity of collection is shown by the following schedule:

Median Delinquency on Recent Levies at End of 1936 Fiscal Year

1936 Taxes uncollected at end of 1936 fiscal year	13.5%
1935 Taxes uncollected at end of 1936 fiscal year	7.8%
1934 Taxes uncollected at end of 1936 fiscal year	5.9%
1933 Taxes uncollected at end of 1936 fiscal year	4.4%

Citing the large dependence of most cities on the property tax as the chief source of revenue, the generally inept administration of the tax, the frequent lack of adequate enforcement provisions in the tax law, the destructive effect of topheavy inflated realty values accompanying unprecedented realty speculation, and the exhausted credit reserves of many cities, along with the adverse influences of the depression, Dr. Bird notes on the basis of the record, "under these handicaps . . .

[the fact that] the general property tax displayed the degree of dependability and the ability to recover which it has, is strong evidence that, whatever criticism may be made of its equity and fairness as a tax, it meets reasonably well the practical requirements of the municipal financial system."

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Amendments "Ease" Jersey's New Budget Act.—Acting in the last few days before the final date for adopting 1937 budgets under a new budget law passed last year, the New Jersey state legislature early in March postponed application of its more stringent provisions and gave municipalities and counties another thirty days to prepare their budgets for the current year.

The new budget law, discussed in part in this department in December 1936, looked toward the establishment of so-called cash basis operations for New Jersey counties and municipalities by 1942. To assist in securing this result, it provided that beginning with the 1937 budget, appropriation for floating tax obligations would be mandatory, on a sliding scale, and appropriation in full would have to be made for all unpaid obligations or liabilities of prior years except the tax revenue obligations. Appropriations for floating tax revenue obligations this year were to be such as to reduce obligations of this type to 35 per cent of the gross borrowing capacity of the unit, and 1938 appropriations were to effect a reduction to 30 per cent.

Under two senate bills amending the new law, signed by Governor Harold G. Hoffman on March 9th, local units will be given an extra month, or until April 11th, to adopt their 1937 budgets, and the mandatory appropriations for floating current obligations are removed so far as 1937 budgets are concerned. These provisions will not go into effect until 1938, when the ratio of tax revenue indebtedness permitted will be 30 per cent instead of 35 per cent as under the new law as it originally stood.

Considerable confusion has been evident in New Jersey council chambers during the past two months, as city and county officials sought to determine what mandatory items must go into 1937 budgets. Most local units appear to have proceeded with no greater inconvenience than that usually attending the installation of a new and consequently unfamiliar system, it is true; but the admitted severe effect of the law upon a few municipalities unfortunate enough not to have been able to put their fiscal houses in order has been a source of tremendous legislative concern. Repeated criticism of the new law has been made by the State League of Municipalities, by adversely affected units, and by Governor Hoffman himself, who has repeatedly said that the property tax increases necessary in some places because of the law indicated anew the necessity for making available new sources of local revenue. Some tinkering with the law has therefore been expected, though it seemed for a while early in the legislative session that this would be restricted to conferring upon the state auditor power to make exceptions in specific budgets as appeared desirable. Many budgets have already been adopted pursuant to the law, and will probably remain unchanged.

That the amendment of the budget law will ease the straightened position of the few remaining fiscal sore spots in Jersey is doubtful. These cities, and a few counties, are in a jam for the correction of which only a thorough housecleaning, coupled in several instances with drastic scaling of debt requirements, will suffice. A weak factor in Jersey finances has long been the treatment allowed tax borrowing, particularly so-called tax revenue (delinquent tax) borrowing. The new law would have undertaken a correction of this situation at once, and it is difficult to see how a moratorium on more stringent regulation of this practice is going to do more than temporarily postpone the evil day for those cities not able to fund or budget the item without undue strain.

While the legislature was enacting the amendments cited above, another bill was introduced to curb the power of the State Municipal Finance Commission, an agency which has acted in a capacity somewhat analogous to receiver-referee for defaulted Jersey units. The bill would prevent any further court orders committing additional cities to the commission's jurisdiction. The work of the commission has been generally considered sound and of substantial importance in rehabilitating the credit of the units over whose fiscal affairs it had jurisdiction. Should the amendment be passed several situations which might well benefit from its guiding hand, and

seem destined in the ordinary course of events to end up under its jurisdiction if more local initiative is not displayed, will probably be left to their own devices.

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Indiana Reneges on Over-all Tax Rate Limit.—Too late for detailed discussion this month comes information that the Indiana state legislature approved on March 9th a new tax rate limit law, repealing its former statute passed in 1933 and drastically revising the old law's provisions. Debt service is placed outside the limit in the new law, and the rate limit itself is raised from $15.00 per thousand assessed valuation to $20.00 for incorporated areas and from $10.00 to $12.50 for unincorporated areas. A survey showing the drastically increased interest costs occasioned on debt issued inside the limit under the old law was an instrumental factor in securing the modification, which will be reviewed in more detail next month.

PROPORTIONAL REPRESENTATION

Edited by George H. Hallett, Jr.

Two P. R. Decisions in Lower New York Courts.—Within a comparatively few days two separate decisions on suits to declare P. R. unconstitutional in New York State—one upholding the system and the other declaring it invalid—have been handed down by supreme court justices.

On March 15th Supreme Court Justice Lloyd Church of New York County denied the motion of a group of petitioners, supported by the chairmen of the five Democratic organizations of New York City as intervenors, for a peremptory order of mandamus to compel the board of elections and the city clerk of New York City to conduct the council election next fall by plurality voting instead of proportional representation. In an excellently worded opinion of eighteen pages Judge Church accepted the argument of the city's attorneys and fully upheld the constitutionality of P. R. in New York State.

The petitioners in both suits had put their main reliance on section 1 of article II of the state constitution, which says that every citizen having certain qualifications shall be entitled to vote "for all officers that now are or hereafter may be elective by the people." This they contended was violated by P. R. because under P. R. each voter could have only one effective vote for council although several councilmen were to be elected in his district.

To this argument Judge Church replied: "Section 1 of article II was apparently put in the state constitution of 1821 in order to do away with the property distinctions in the state constitution of 1777, under which the right to vote for state senators was restricted to those having freeholds to the value of one hundred pounds and the right to vote for members of the lower house was restricted to lower property qualifications. In other words, the intention of its adoption was the prescribing of qualifications of voters rather than the regulation of the method of election. . .

"The argument that this provision is violated by the system of proportional representation is based upon an apparently strained interpretation of its intent and meaning. . .

"Under the system of proportional representation, every voter in each borough of the city may express the order of his preference for every candidate for councilman from his borough. He would seem to have a much greater power of voting under that system than under the present system of single-member districts. For under the present system he may vote for only one member of the board of aldermen, and if he is in the party at the time in minority his vote is ineffective. . .

"Apparently, petitioners' argument is that under the proportional representation system, although a voter may declare the order of his preference for *all* candidates, his ballot may be counted for only *one*. The answer is first, that under the present system his ballot is counted for only one member of the board of aldermen, and secondly, that whereas at the present time the chances are that his ballot may be ineffective, under the proportional representation system his vote will almost certainly be effective actually to elect the candidate most preferred by the voter, and who has not been already elected by the votes of others.

"Instead of disenfranchising any citizen or decreasing the power of his vote in an elec-

tion for members of the city council, this system insures to practically every voter that his vote will actually be used in helping to elect some member of the board."

Later the opinion refers to the almost continuous use of limited voting in New York City for a period of thirty years, first for the board of county supervisors of New York County (1857-1870) and then for the New York City board of aldermen (1873-1887), the statutes for limited voting being "amended not less than seven times." This method would be open to the same objection as P. R. if the petitioners' argument were valid. It was in fact attacked as unconstitutional before the court of appeals four different times, but the court always found a way to throw out the attack without deciding the constitutional issue directly. "Thus we have," says the opinion, "a history of thirty years of administrative construction by the election officials and legislative construction by the legislature, without interference by the courts although continuously under consideration by them. This practical construction cannot entirely be disregarded."

In conclusion Judge Church cites recent cases in which the New York court of appeals has ruled questions off the ballot which were wholly unconstitutional and points out that the submission of P. R., which would be wholly unconstitutional if the petitioners' arguments were correct, was before the court of appeals last fall in *Matter of Mooney v. Cohen, 272 N. Y. 33, remittitur amended 272 N. Y. Mem. p. 191.* "In permitting the submission of this separate proposition to the voters," the opinion reasons, "the court of appeals may have intended to hold it to be constitutional. In any event, under the circumstances any doubts which exist as to the constitutionality of proportional representation should, after the recording of the mandate of the people at the election, in accordance with the submission directed by the court of appeals, be resolved in favor of its validity."

On March 23rd, Supreme Court Justice Philip A. Brennan of Kings County (Brooklyn) held that P. R. was unconstitutional, being in violation of section 1, article II of the state constitution. Said Judge Brennan: "The defendants assert that under the old charter the elector could vote for only one alderman; whereas under chapter 43 of the new charter he also may vote for one. That assertion loses sight of the fact that under the old charter only one alderman was elected from each district; whereas under the new charter more than one will be elected from each district, with the exception of Richmond."

An appeal to the highest court, the court of appeals, has been taken by the city.

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Philadelphia Bill Introduced.—On March 15th the P. R.-city manager bill for Philadelphia was presented to the Pennsylvania house of representatives under Democratic party auspices by Representative Isador Ostroff of Philadelphia. The names of Representatives Paul Lewis and Rocco Costanzo, also Philadelphia Democrats, are on the bill as co-sponsors with Mr. Ostroff. The bill was referred to the house committee on cities, of which Miss Anna Brancato, Philadelphia Democrat, is chairman.

As introduced the bill calls for a referendum in the fall of 1938, the first use of P. R., if adopted, in the fall of 1939, and the appointment of the first city manager at the end of Mayor Wilson's term in January 1940—exactly as drafted by the Philadelphia City Charter Committee. Whether the Democratic majority in both houses will pass the bill in this form, whether it will amend it to carry out the mayor's recent suggestion of an immediate use of P. R. for the city council next fall, or whether it will make some other disposition of the proposal has not yet been determined. The majority organization was sufficiently interested, however, to arrange for the bill's introduction by three of its own members.

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Hearings in Boston.—"A bill which would enable Massachusetts cities and towns to adopt a proportional representation system of voting—a method of political reform held vital to the future municipal welfare of Boston—was unanimously supported by various interests today at a hearing before the legislative committee on cities.

"Not a single voice was raised in opposition to this bill which has been introduced by Representative Christian A. Herter. Consequently there will be no further hearings on

the bill, Senator Thomas H. Plunkett of Adams, chairman of the committee, announced.

"A 'trial election' under the proportional representation system of voting was held before the committee this morning. About seventy-five people attending the hearing participated in this demonstration conducted by George H. Hallett of New York, an expert on the 'P. R.' method of election. By this demonstration the committee was shown how the P. R. method guarantees representation to all classes of voters in an election, minority groups as well as majority groups.

"Following this, some twenty-five people representing diversified political interests came forward to speak in favor of Representative Herter's bill.

"The Boston Chamber of Commerce represented by Allison G. Catheron, a director, City Councilor Clement A. Norton, former State Senator Henry Parkman, Jr., and Representative Herter all urged passage of the bill indicating their interest in the measure particularly as it would affect Boston. . . .

"Other groups and individuals which went on record before the committee favoring passage of Representative Herter's bill were: The Massachusetts League of Women Voters; the women's division of the Massachusetts Federation of Taxpayers' Associations; Miss Katherine Lyford, secretary of the Massachusetts Civic League; Representative Roland D. Sawyer of Ware; Representative Charles H. Morrill of Haverhill; J. Weston Allen of Newton; James Barrett, former president of the Cambridge city council; and the Massachusetts Women's Political Club represented by Frank M. Doyle."

This is part of the *Christian Science Monitor's* account of the hearing on March 4th referred to in our last issue. The *Monitor* followed up, the next day, with a special article on the progress of P. R. The *Boston Transcript* carried an editorial the day before the hearing in which it said that by P. R. "a broad expression of the will of all citizens gains consideration. . . The bill, as an enabling act, certainly has sufficient merit to warrant its passage." Six of the seven principal Boston newspapers have published favorable editorials or feature articles on P. R. within the last year and a half.

On March 9th the joint cities committee held another hearing, this time on the bill by Representative Rufus H. Bond of Medford (house bill 233) to make the combination of P. R. and the city manager plan available for all cities except Boston as an additional standard form of city government. Again no one appeared in opposition. Chandler W. Johnson of Cambridge writes:

"The hearing was featured by a marked increase in the public interest as evidenced by the endorsement of house bill no. 233 by the Massachusetts League of Women Voters; the Holyoke Chamber of Commerce; numerous members of both branches of the legislature; several city and town officials of Braintree, Holyoke, Medford, Northampton, and Revere; the petitioners for house bill 233 including citizens of Medford, Cambridge, Concord, Lincoln, and Weston. And at the instance of Professor H. E. Wells of Northampton, who at the last minute was unable to attend the hearing, there was presented to the committee a petition signed by 101 prominent citizens of the city of Northampton urging the committee to give this bill a favorable report."

Last year the cities committee reported unanimously bills closely corresponding to the bills on which the two hearings were held. In view of the increasing support and lack of opposition, it is hoped it will do so again.

Illinois Bill Introduced.—The bill described in last month's issue to enable any city or village in Illinois to adopt the city manager plan by petition and popular vote and with it to adopt P. R. if its voters vote in favor of it on a separate question, was introduced on March 15th (the same day as the Philadelphia bill) by Representatives Drennan J. Slater of Evanston and H. V. Teel of Rushville. It is known as house bill 414. Four companion bills, to make certain laws conform, are house bills 415 to 418. The bills were referred to the committee on municipalities, of which Mr. Teel is chairman, and given a prompt hearing on March 23rd. The Chicago City Club and a number of other organizations coöperating with the Illinois Council-Manager Conference were represented in support of the bill.

CITIZENS' COUNCILS

Edited by Geneva Seybold

Alabama Policy Committee.—Those whose attention was arrested by the spectacular work of citizens' councils in Alabama in the summer of 1933, when their united efforts resulted in passage of income tax and warrant amendments to the state constitution to clear up a $15,000,000 debt to schools and other departments, and those who have followed the program of citizen education in governmental affairs since that time, are now observing with interest activities of the Alabama Policy Committee.

This is a state-wide organization made up of civic leaders who engage in research and discussion of social, economic, and political problems peculiar to Alabama, to the end that definite policies may be adopted—policies that the committee then promotes through its legislative and other appropriate committees. At present six special committees are studying respectively civil service, education, farm tenancy, freight rate differentials, the labor situation, and the state's finance system.

Citizens' conferences are held from time to time in different cities of the state, each focussed on a problem of vital importance to Alabama citizens. An example was the conference on long range planning for education held in Montgomery in October. Teachers, editors, state representatives and senators, labor leaders, representatives of parent-teacher groups, and business men participated in the discussion of the need for an improved and adequately financed system of public education in Alabama and outlined certain major objectives toward which educational and political leaders should strive.

The committee usually issues a bulletin following each conference making available to citizen groups the high lights of the discussions. The chairman of the Alabama Policy Committee is I. J. Browder of Scottsboro. Mr. C. H. Van de Graff of Tuscaloosa is vice-chairman, and Mr. Charles W. Edwards of Auburn is secretary-treasurer.

*

Civic Club of Allegheny County (Pittsburgh) Pennsylvania.—Giving strong support to legislation now before the Pennsylvania legislature which will enable the people of Pittsburgh to vote on the city manager form of government with proportional representation, is the Civic Club of Allegheny County.

The extension of the merit system in both county and state governments is another of the club's immediate concerns. The organization is working for revision of the present act to regulate and improve the civil service of Pittsburgh, making violation of the law's provisions misdemeanors and providing penalties for such violations.

Reducing overlapping local governmental functions and improving services of both the city of Pittsburgh and Allegheny County through the establishment of regional or metropolitan government is another of the club's goals. Its legislative program also includes abolition of the present dual assessment practice, turning over assessment and collection of taxes of both county and city to the county.

Other ends toward which the club is working are reapportionment of Pennsylvania's representative and senatorial districts, abolition or proper consolidation of overlapping and unnecessary governmental units throughout the state, the creation of a sound tax system, abolition of the fee system especially with respect to tax collection and the office of register of wills, and uniform budgeting, accounting, and reporting systems for comparable standards of governmental efficiency in all municipal subdivisions.

The Civic Club is supporting reduction in the number of independent elective officers and repeal of legislation fixing salaries of officials and employees, long time planning of public improvements, organization of school districts on the basis of geographical areas rather than along the lines of existing political subdivisions, revision of the minor judiciary, and the consolidation of police power.

*

Citizens' Housing Council Formed in New York City.—As a concerted effort to find a solution of New York City's low-rent housing and slum problem, through coöperation of real estate, construction and labor groups, as well as civic, welfare, and tenants' organizations, the Citizens' Housing Council of New York

was recently organized. It is headed by Harold S. Buttenheim, editor of *The American City* and a member of the council of the National Municipal League, as chairman, with Lawrence B. Elliman, prominent real estate executive, and Loula D. Lasker, associate editor of *The Survey*, as vice-chairmen. Coöperating organizations include the City Club, New York Building Congress, Welfare Council, City-Wide Tenants' Council, United Neighborhood Houses, and Women's City Club; temporary headquarters are at the City Club, 55 West 44th Street.

The unique character of the council lies in the broad and comprehensive scope of the interests it seeks to bring together; and it is intended that concrete, correlated recommendations shall result, after thorough consideration of the many aspects of the problem, following detailed study and reports by nine committees: on city planning and zoning, finance and taxation, housing action, land assembly, new housing, old housing, rehousing of displaced families, legislation, and public education. In addition to these working committees an advisory committee is being appointed, of which Mr. Richard S. Childs, chairman of the council of the National Municipal League, has accepted the chairmanship.

GOVERNMENTAL RESEARCH ASSOCIATION NOTES

Edited by Robert M. Paige

American Public Utilities Bureau.—The principal activities of the bureau during the past year have been in connection with (1) a bus fare case in which the bureau represented the city of Pittsburgh before the Pennsylvania Public Service Commission; (2) a telephone rate case in which the bureau represented the city of Louisville, Kentucky, before the Kentucky Public Service Commission; (3) a railroad commutation rate case in which the bureau represented the city of New York before the New York Public Service Commission and Transit Commission; and (4) a gas merger case in which the bureau represented the city of New York before the New York Public Service Commission in opposition to the merger.

The Pittsburgh bus fare case was terminated through agreement under which the twenty-five-cent fare was reduced to an effective ten-cent fare (twenty tickets for two dollars). The Louisville telephone case also came to a conclusion through agreement, under which a reduction of $440,000 a year was granted to the Louisville exchange. The city also obtained $50,000 toward its expenses, with the additional provision of $10,000 a year to keep in contact with telephone conditions.

In the New York commutation rate case, the Long Island Railroad Company undertook to increase commutation rates about 15 per cent. The city succeeded in stopping the increase. In the gas merger, however, the city's opposition was not successful. The merger was approved by the Public Service Commission, notwithstanding the evidence offered by the city that a combination of gas and electric properties under the same corporate and financial structure would be contrary to public interest. Gas is a regressive and electricity a progressive utility. If they are combined, electricity will be compelled to bear the costs incurred in furnishing gas, and this will tend to restrict the utilization of electricity. This prospective condition, however, did not induce the commission to disapprove the merger.

JOHN BAUER, *Director*

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People's Association of Delaware County, Pennsylvania.—The activities of the People's Association of Delaware County during 1936 were largely confined to the distribution of a "Who's Who" before the primary election in April and again before the general election in November. These attracted a much wider interest than usual. Prior to the November election about 65,000 of the leaflets were distributed to voters, and partly as a result of this distribution over 25,000 Republicans were induced to vote split tickets and defeat John J. McClure, a Republican "boss" for re-election to the state senate.

The plans of the association for the next six months include a series of meetings in six different centers of the county at which subjects of current interest will be presented. The subjects tentatively selected for discussion, all bearing on Delaware County, are: Penal affairs, public school administration, the basis for taxation, the cost of local and county government, recreation facilities, road construction and repair. An attempt will be

made to give as wide publicity to these meetings as possible and to make them the basis of reports to the legislature which is now in session. This association was formed March 10, 1913.

J. W. ZIEGLER, *Secretary*

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Municipal Research Bureau of the Akron Chamber of Commerce.—In the winter of 1935, the bureau made an accrual study of the city sinking and bond retirement funds to discover how much of the surplus or deficit had been derived from transactions having to do with bonds for which the levies were inside and how much outside the tax limitations. The bureau found that before the depression and through the year 1934 the city had levied substantially the full estimated requirements for its debt services both inside and outside the tax limitations. But during 1935 it did not. The city issued refunders on the assumption that the shortage at the end of the year was proportionately divided between inside and outside bonds. The net result was that a surplus developed on the outside bonds and on the special assessment bonds greatly in excess of that which had been developed by reason of excessive refunding on the inside limit bonds. This showed up an apparent weakness in the Ohio laws relative to payments by sinking fund trustees whereby the tax limitations may be more or less effectively evaded by the simple process of paying inside obligations from moneys derived from outside levies in accordance with the law.

Since the fall of 1935, the Akron bureau director has served as a member of the fact-finding committee of the Ohio Interorganization Conference, which is a federation of a considerable number of state-wide trade organizations and local chambers of commerce joined together for the purpose of opposing unnecessary tax proposals. The latest accomplishment of the conference was to aid in the repassage last December of the sales tax and other expiring special taxes which were necessary in order to bring the 1937 estimated receipts somewhere near the 1937 estimated requirements.

The bureau also prepared for the conference a consolidated study of local government finances. The report for Akron and Summit County, when completed, indicated an average excess of charges against revenue in Akron, Akron school district, and Summit County of 20 per cent more than revenue during the three years 1934 to 1936. Studies of other districts have not yet been satisfactorily completed.

H. G. MCGEE, *Director*

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New Haven Taxpayers, Inc.—In the 1936 annual report of this governmental research agency it is pointed out that: (1) the New Haven fire department budget for 1937 is $43,000 less than the expenditures for 1935, the year the taxpayers' fire department survey was made; (2) administrative costs of collecting names for the poll tax (the state old-age assistance tax of three dollars) were shown to be at least 12 per cent higher than Taxpayers' Inc., survey found necessary; (3) in 1936 about twice as many people paid the poll tax as paid in 1935, resulting in an increased intake by the city of more than $100,000 for the year; (4) as a result of the recommendations developed by Taxpayers, Inc., following a survey of the street name sign situation in New Haven, the city has purchased, on the recommendation of the Yale forestry school, lumber from which can be carved elevated letters. A trial lot of one hundred of these wooden street name signs can now be prepared. Experience in other communities (Michigan) has shown that wooden signs are more easily serviced than metal ones, and that signs made of one piece of durable wood last longer than the metal type; (5) progress made by the city in improving and popularizing the annual reports and more understandable financial reports is commended; (6) since Taxpayers, Inc., made recommendations on the police department, a traffic accident squad has been established, a comprehensive traffic survey has been completed, and a substantial reduction in the police budget has resulted by following a policy of not replacing men. Nearly two dozen have been separated from the service; (7) at present, the staff is conducting a ten-year analysis of municipal expenditures, is preparing a report on new sources of municipal revenue, is making a purchasing study, and is prosecuting several other inquiries.

The association has maintained nine active sub-committees during the past year and the executive director has met either with the

executive committee, the directors, or with one of the sub-committees on forty occasions.

PAUL B. WILCOX, *Executive Director*

*

Pennsylvania Economy League: Western Division.—The Western Division of the Pennsylvania Economy League, comprising thirty-one counties in the western half of Pennsylvania, now has available statistical data on the receipts and expenditures (general revenue items, bonds, temporary loans, etc.) of 271 governmental units. These units, all within the western division, include counties (as whole units), cities, boroughs, and townships of the first and second classes.

The figures for most subdivisions cover the period of the past four years, and constitute the bases for studies of the "cost of doing business"—political business—in each unit. These studies are developing some very interesting facts, among which is the gratifying and surprising knowledge of the large number of units that are "paying as they go." Of course, the studies also develop that other subdivisions do not show up so favorably, and are "running in the red." In these latter cases, steps are being taken to present the facts to the proper officials in the hope of correcting past financial evil practices. It is a satisfying experience to witness the wholesome coöperation given by public officials in the correction of unhealthy conditions, when confronted with unfavorable facts concerning the conduct of their offices, many of which present incumbents have inherited.

Allegheny County, the largest unit in population in the western division, is at this time being given special study. At present bond accounting and matters connected therewith occupy most of the time of the research section.

The Pennsylvania Economy League has endorsed the legislative program of the [Pennsylvania] Taxpayers' Forum, and is actively urging the passage of certain constructive legislative measures which if adopted would do much to further the league's slogan: "better government at less cost in Pennsylvania."

PAUL C. HUNT, *Associate Director*

SCHOOL ADMINISTRATION

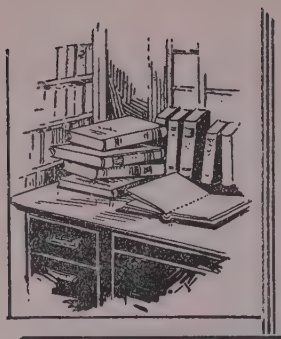
(Continued from Page 167)

generally in the case of the larger attendance area. The matter of adequacy of facilities, condition of roads, frequency of inspections of equipment, financial ability of the district to purchase equipment, training and qualifications of bus drivers, routing of buses, and costs of operation are important factors in a redistricting program. The existing facilities and possibilities of transportation must be considered in detail. Frequently transportation is urged for all pupils in a district. What constitutes a reasonable distance for transportation purposes? Shall children be transported one-half mile or less? Should school buildings be located in areas so far from the center of population that all children must be transported? These and other important questions must be considered as basic in the consideration of the larger unit of administration and attendance.

FLEXIBILITY

Because of unpredictable circumstances it may be essential in the future to alter school district boundaries. There should be a legal provision in each state for the alteration of school district boundaries with the least amount of delay and routine.

These are the major factors that must be considered in the determination of the size of the administrative unit. Obviously these units will vary in size because of the varying local conditions. An administrative unit cannot be standardized, therefore, nor can any particular formula be adopted by which such units might be organized. The recognition of these factors, however, is essential if local administrative units are to be intelligently created.



RECENT BOOKS REVIEWED

EDITED BY GENEVA SEYBOLD

Prisons and Beyond. By Sanford Bates. New York, Macmillan Company, 1936. 334 pp. $3.50.

Former Attorney-General Mitchell said that the prison of the future would be a place of permanent incarceration for the incorrigible, a school for those who can be reformed, and a laboratory for the study of the causes of crime. This was his brief answer to the question "Why Prisons?"

In the building and administration of prisons in this country there has been much muddled thinking. Do we build prisons to provide a place of punishment, a place to segregate the misfits from the rest of society, a place to remold men? Varied answers are expressed in the very architecture of the prison—the way its windows are placed, the contour of its walls. They are evident in such factors as whether or not prisoners are given occupation, whether they are educated, and in the administration of the parole system.

Sanford Bates, who at the time of the writing of this book was United States director of prisons and who has since resigned to become executive director of the Boys' Clubs of America, has long been known as a prison administrator of clear thinking and wide vision. His book reflects his intimate knowledge of the prisoner as a human being. He is, however, no sentimentalist; his first concern is the best interests of society.

An especially interesting chapter in Mr. Bates' book, which is illustrated by many anecdotes and incidents taken from his twenty years of experience with prisons and prisoners, is that on county jails. More than a million persons, the author estimates, are annually committed, usually for a brief time, to one or another of the more than three thousand county jails in the country and in these are much more badly treated than the inmates of state and federal prisons. Indictments against county jails are that they are insecure, unbelievably dirty, lack segregation for prisoners, are health hazards, have untrained and inefficient personnel, lax discipline, and are dominated by politics. Suggestions are that we should attempt to reduce the number of persons detained in jail, perhaps through adoption of a universal identification system and close surveillance by local police, attempt to reduce the amount of time spent in jails through prompt trial, and use the county jails as little as possible for the serving of sentences. The use of state penal farms for misdemeanants might help in the last instance.

Violations of the liquor, drug, Dyer, and Mann laws put a tremendous strain upon federal penitentiaries and reformatories and make the business of taking care of prisoners a serious concern of the United States Department of Justice. Alcatraz is one unit of a modern prison system that has been worked out to meet increased needs.

The fact that we in the United States have the highest prison population of any country does not mean necessarily that we are the most criminally minded nation, says Mr. Bates, but may perhaps have gone too far in assuming that imprisonment is the only method available for handling offenders. The author proposes several alternatives which might prove more effective in certain instances than imprisonment.

Our Ineffective State. By William H. Hessler. New York, Henry Holt and Company, 1937. 281 pp. $2.50.

Arguing that we now have a "frustrated" federal government, ineffective in the sense that its machinery is unable to cope with the problems before it, Mr. Hessler, chief editorial writer for the *Cincinnati Enquirer,* proposes certain solutions. Examples of problems that require concerted measures by public authority are the orderly control of money and credit, the choice between war and peace, the redistribution of income, resuscitation of economic activity, and supplying permanent employment for those now unemployed or engaged in artificially created work. He cites separation of powers as an example of the hampering tendency of our constitutional framework and calls the constitutional requirement that two-thirds of the senate must consent to international treaties "wholly unworkable."

Other inhibiting factors, in the opinion of the author, are the fact that the cabinet is not a policy-making body and "the growing disposition of the Supreme Court to seize the control of legislative policy." Mr. Hessler proposes that the mechanism of government be reconstructed both by constitutional amendment and drastic re-shaping of traditional procedures outside the constitution.

Three broad alternatives are considered for strengthening the power to govern by curbing the Supreme Court: (1) Disregarding the dicta of the Court with the President and Congress interpreting the written constitution with respect to their own powers; (2) Circumventing the Court by adoption of a constitutional amendment giving Congress the unqualified power to act in matters which involve the national well-being, also perhaps by providing an easier amending process; and (3) Subordinating the Court by formal termination of judicial review or by consistent appointment of judges sharing the belief that the legislature should have its way.

Of these alternatives Mr. Hessler favors adopting two constitutional amendments, one giving Congress full power to act in national economic affairs and re-defining due process of law as a limitation on procedure, the other revising the amending power to permit genuine majority rule. He suggests that a workable and safe amending clause might provide for ratification by legislatures or conventions in a majority of the states sufficient to embrace a majority of the total population. He would not have judicial review completely repudiated but would have it continue to the extent that it protects individual rights in specific cases at law.

*

City Problems of 1936. Edited by Paul V. Betters, Washington, D. C., United States Conference of Mayors, 1937. 181 pp. $3.00.

The papers presented at the annual conference of mayors held in Washington last November and which are brought together in this volume are classified under the general headings of law enforcement, unemployment relief and social security, federal-city relations, and municipal problems. Included in the last general category are addresses on public utility problems, centralized purchasing, and the city's relation to industry.

*

League of Virginia Municipalities Year Book, 1936-37. Richmond, Virginia, League of Virginia Municipalities, 1937. 298 pp.

Local and state officials have coöperated with the staff of the League of Virginia Municipalities in preparing this second edition of the year book which is primarily a reference book for municipal officials. A section on city and town government is especially detailed and another section of particular interest is one on public utilities in Virginia including electricity, gas, water, and telephone.

*

The House Trailer, Its Effect on State and Local Government. Report by the American Municipal Association in coöperation with the American Public Welfare Association, American Society of Planning Officials, and National Association of Housing Officials. Chicago, American Municipal Association, 1937. 32 pp. Fifty cents.

City fathers wear perplexed frowns as they watch long lines of automobile trailers approaching their municipalities. Shall they extend a cordial welcome or shall they quickly tack up a sign of "no trespassing" and hope the visitors will move on?

The many problems—and they are serious, especially when the trailers are used as permanent dwellings—that have come with the sudden popularity of the trailer have caught municipalities unaware. This report is an at-

tempt to give municipalities the benefit of what experience has been accumulated to date. Particular aspects treated include welfare, taxation, camp planning, housing, immigration, health, and sanitation.

Existing ordinances regulating the use of the trailer both in and out of authorized trailer camps are analyzed carefully and the ordinances of Miami and San Diego on this subject are given in complete form.

*

Tourist and Trailer Camp Regulations. By the United States Conference of Mayors. Washington, D. C., Report No. 129, 1937. 20 pp. mimeo. Fifty cents.

This is a study of municipal ordinances primarily directed toward the regulation of camps where auto tourists and trailer travelers stay in Los Angeles, San Diego, Berkeley, Long Beach, Oakland, Sacramento, and San Jose, California; Miami, St. Petersburg, and Jacksonville, Florida; and Charleston, South Carolina. The ordinances of Los Angeles, San Diego, and St. Petersburg are given in full and also included in the study is a model ordinance prepared by the California State Division of Immigration and Housing.

*

Reduced Street Car and Bus Fares for School Children. Report No. 130, United States Conference of Mayors. Washington, D. C., 1937. 18 pp. mimeo. Fifty cents.

Ninety-three out of 132 cities with more than fifty thousand population have reported that they have special reduced rates for school children on either street cars or buses or both. In addition, nine other cities reported reduced rates for all children under certain age limits. The special rates for school children, which usually amount to about half of the regular cash fare, ordinarily are provided for by ordinance or franchise provisions. This report gives the detailed data for each of the cities in which reduced fares were found.

*

Urban Local Government in Texas. By Roscoe C. Martin. Austin, Texas, University of Texas, 1936. 357 pp. Apply to University Publications.

Within the borders of Texas are five metropolitan areas (as defined by the United States census)—those of Dallas, El Paso, Fort Worth, Houston, and San Antonio. The functions and activities of the 285 governmental units contained in the five counties in which these metropolitan areas lie are examined by Professor Martin who through this study directs attention to certain problems of urban government that are paramount. He points out a definite trend toward inter-governmental cooperation between various units of local government.

*

Bibliography of Municipal and State Accounting. Bull. No. 7, National Committee on Municipal Accounting, Chicago, 1937. 30 pp. Thirty-five cents.

References to books, pamphlets, and articles dealing with accounting and budgeting for states, counties, cities, towns and villages, and schools. There is particular emphasis on material published since 1920. A list of bibliographies opens the door wider to those who would go even further than the specific references in this excellent bibliography.

*

Personnel Problems in Maine. By Orren Chalmer Hormell. Brunswick, Maine, Bowdoin College, 1937. 80 pp. Apply to Bowdoin College.

In the fourteen years from June 30, 1922, to June 30, 1936, the total number of state administrative officers and employees in the state of Maine increased 88 per cent. Approximately two-thirds of the increase is in four departments: liquor stores administration, health and welfare, institutions (not including the University of Maine and the normal schools) and the department of inland fish and game.

Career service in the state, according to Professor Hormell, is practically non-existent. Out of fifty-eight heads of departments, bureaus, and commissions comprising Maine's government in 1936, not more than five or six came from the lower brackets of service. Nepotism is common; 40.7 per cent of the employees in the state institutions are related. Promotions have little to do with quality of service.

An analysis of the personnel employed by the state and a brief review of the history of merit system proposals in Maine lead to a proposed bill providing for a system of personnel administration in state employment. The focus of the system is a state personnel board and a director of personnel.

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NATIONAL MUNICIPAL LEAGUE

THE LEAGUE'S BUSINESS

City Planning Committee Appointed.—Dr. Dodds, president of the League, has recently announced the personnel of the League's city planning committee as follows: Ernest P. Goodrich, *chairman,* William Exton, Jr., *secretary,* Harry B. Brainerd, Harold S. Buttenheim, Wayne D. Heydecker, Harold M. Lewis, Richard Schermerhorn, Jr., Flavel Shurtleff, Herbert S. Swan, and Frank B. Williams.

This committee has been appointed to work with the National Junior Chamber of Commerce as it proceeds with the preparation of its proposed national planning exhibit to be held in New York City. Members of the committee will act as a group of experts who may be consulted from time to time as the work on the exhibit proceeds. The project is being set up as a step in lay education in city planning and it is hoped that the exhibit may be kept on tour throughout the country for the next two years, arriving back in New York in 1939 to serve as the basis of an exhibit on city planning for the New York World's Fair to be held that year.

* * *

League Officials in the News.—*Dr. Harold W. Dodds,* president of the League and of Princeton University, has recently been elected a member of the board of trustees of the Rockefeller Foundation. He has also been appointed general consultant of the inquiry into the character and cost of public education now being conducted by the New York State Board of Regents, of which Dr. Luther Gulick, a member of the League, is director of research.

C. A. Dykstra, second vice-president of the League and city manager of Cincinnati since 1930, has accepted the presidency of the University of Wisconsin, succeeding Dr. Glenn Frank. He will officially take up his new duties at Madison on July 1st.

Richard S. Childs, chairman of the League's council, is now a member of the New York State Board of Housing. The appointment was made by Secretary of State Edward Flynn and approved by Governor Lehman. He succeeds Louis H. Pink, who resigned to become state superintendent of insurance.

Russell Forbes, our former secretary, who is now commissioner of purchase of New York City, was recently named by New York University students as this year's recipient of the Griffith Hughes honorary medal, presented each year to "an outstanding public servant."

* * *

Praise for the League's Consultant Service.—The *Atlanta Georgian* of March 2nd, in its column by Tarleton Collier, carried the following interesting comment on the survey of Atlanta's city government recently made by the League's Consultant Service under the supervision of its director, Dr. Thomas H. Reed: "The fellow who has always shied away from these experts in the science of running governments, convinced that at best they were theorizing braintrusters and at the worst a species of racketeer, probably feels better about them after scanning the report of Dr. Thomas H. Reed, director of the Consultant Service of the National Municipal League, who has just looked over the Atlanta situation and composed a prescription for the city's ills.

"Dr. Reed, coming here for talks in connection with Emory University's Institute of Citizenship, remained to accept a commission from the Atlanta Chamber of Commerce to study Atlanta's problems. His report should strike everybody as accurate in its appraisals, reasonable in its conclusions, and anything but hifalutin."

* * *

The League Loses a Staff Member.—Miss Geneva Seybold, a member of the League's staff since 1933, has recently resigned to accept a position in industrial research. Miss Seybold was editor of the "Citizens' Councils" and "Recent Books Reviewed" sections of the REVIEW and assistant secretary of the National Federation of Citizens' Councils—the citizens' council section of the League. We wish her all success in her new undertaking.

HOWARD P. JONES, *Secretary*